

**The Rupee closed flat on Friday after RBI Monetary Policy:**

The USD/INR closed nearly unchanged on Friday, after snapping four-day downtrend, following the RBI announcement on early trade. In its latest monetary policy decision, the Reserve Bank of India (RBI), kept the benchmark interest rate unchanged. Currently, the repo rate is 4 percent and reverse repo rate is 3.35 percent. The RBI Governor Shaktikanta Das said the policy stance continues to be "accommodative" as the economy is yet to recover from the impact of the second wave of COVID-19. However, the central bank raised the retail inflation projection for the current fiscal to 5.7 per cent on account of the supply-side impediments, firm crude oil prices, as well as higher cost of raw materials.

The dollar index against major currencies rose sharply by 0.60% to 92.80 at 8:05 p.m. (IST) on Friday, boosted by a strong U.S. jobs report toward its biggest weekly gain in seven weeks. The report on U.S. nonfarm payrolls showed jobs increased by 943,000 in July compared with the 870,000 forecast by economists polled by Reuters. Further details revealed that the unemployment rate dropped from 5.9% in June to 5.4% during the reported month. There was also good news on the wage front, with average hourly earnings surging 4.0% YoY as against a rise to 3.8% expected and 3.7% previous (revised higher).

9-USDINR, Rolling - 06/08/21  
SMA(CloseLine:100)

[Log] F7Net



**Technical Outlook:**

- USD-INR (Aug) futures technical chart has formed an "Ascending Broadening Wedge" pattern in the daily time frame.
- On the daily chart, it has formed a trend reversal "Doji" candle at the strong support level of 74.30
- Be cautious at the current level and wait for any confirmation.
- If prices manage to sustain above the support level of 74.30 then we may expect a bounce in the price for the upside targets of 74.60 – 75.20 in the upcoming sessions.
- Fresh selling is only recommended if it closes below the support level of 74.20 for the downside target level of 73.80-73.30.
- **USD-INR has its major support at 74.20.**

**Weekly Pivot Table**

Currency	S2	S1	Pivot	R1	R2
USD/INR	73.99	74.14	74.39	74.54	74.79
EUR/INR	87.14	87.45	88.07	88.38	89.00
GBP/INR	102.85	103.09	103.46	103.70	104.07
JPY /INR	67.18	67.42	67.85	68.09	68.52