

Rupee closed Weaker on Friday:

The Indian rupee closed lower against the dollar on Friday because the dollar index rose to a three-week high on Thursday. The dollar index rises as Euro falls sharply after European Central Bank signals it is raising interest rates. The lack of any detail on how to deal with the divergent state of European economies weighed on the euro. The central bank said a divergence between borrowing costs for different European countries hampers the execution of its monetary policy. The annual inflation rate in the US rose to 8.6%, the highest level since December 1981 in May according to data released on Friday. The CPI rose 1% m/m, surpassing expectations. A higher-than-expected inflation reading could increase fears that the US Federal Reserve will raise interest rates more aggressively than previously expected. The Crude oil prices hovered near three-month high and that may prompt traders to purchase dollars on behalf of oil marketing companies. This may, in turn, weigh on the domestic currency.

1-USDINR_Rolling - 10/06/22



Technical Outlook:

- USD-INR (JUN) has formed a “Rising channel” pattern on a weekly time frame.
- The overall trend is bullish but, fresh buying is recommended only when the prices break and sustain above its resistance level of 78.00, the upside rally could test the level of 78.60-79.20 in the upcoming sessions.
- On the contrary, if the resistance holds strong then there is a chance of a reversal in prices for the downside targets of 77.30-76.80.
- **USD-INR has its major support at 77.30 and resistance at 78.00.**

Weekly Pivot Table

Currency	S2	S1	Pivot	R1	R2
USD/INR	77.63	77.79	77.89	78.05	78.15
EUR/INR	81.86	82.25	83.00	83.39	84.14
GBP/INR	96.09	96.54	97.26	97.71	98.43
JPY /INR	57.07	57.71	58.64	59.28	60.21