

**The Rupee closed flat on Friday:**

The Rupee closed flat on Friday as the dollar held on to its overnights gains, although it eased a bit, as US producer price data showed the largest annual increase in more than a decade in July. Banks in India are expected to sell the US currency, likely for overseas inflow into Indian companies that are looking to raise capital from offshore investors. Edtech startup Eruditus has raised about \$650 mln in its latest funding round led by Accel and Softbank, according to media reports. Additionally, Stellaris Venture Partners, an investor in consumer brands, is said to have closed a \$225 mln funding round. US producer price inflation rose 7.8% in July on year, a record high since the index was introduced over a decade ago, showing that inflationary pressures still remain due to strong economic recovery. This comes just after data on the consumer price index on Wednesday showed inflation could be peaking. Separately, initial jobless claims fell for the week ended Saturday, the third week in a row to a seasonally adjusted 375,000, which was in line with market expectations.



**Technical Outlook:**

- USD-INR (Aug) futures technical chart has formed an "Ascending Broadening Wedge" pattern in the daily time frame.
- The last few sessions ended in sideways mode near to the 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  | 74.25  | 74.33  | 74.37  | 74.41  | 74.49  |
| EUR/INR  | 87.17  | 87.35  | 87.42  | 87.53  | 87.71  |
| GBP/INR  | 102.36 | 102.59 | 102.71 | 102.82 | 103.05 |
| JPY /INR | 67.18  | 67.38  | 67.47  | 67.58  | 67.78  |