

**The Rupee closed higher on Thursday:**

The Indian rupee closed stronger on Thursday even as the USD fell sharply against major currencies after data on consumer prices fuelled concerns among investors that inflation may continue to climb in the world's largest economy. The dollar pulled back even after minutes of the Federal Open Market Committee's September meeting indicated that the Fed could begin to taper its support measures for the economy in mid-November, but remained split over how big of a threat high inflation represents and how soon they may need to raise rates in response. The Fed minutes showed that officials discussed monthly reductions in the pace of asset purchases--by \$10 bln in the case of Treasury securities and \$5 bln in the case of agency mortgage-backed securities.

Earlier this week, the dollar had risen to one-year highs amid expectations of sooner-than-expected interest rate hikes by the US Fed. The rupee may further find support as some foreign banks are expected to sell dollars for overseas investments into Indian companies raising funds through various means.

9-USDINR\_Rolling - 14/10/21  
SMA(CloseLine:200)



**Technical Outlook:**

- USD-INR (OCT) shows strong buying on the previous session after breakout of the “Symmetrical Triangle” pattern in the weekly chart
- The market is expected to continue its bullish momentum based on the current price action. Once the price breaks and sustains above the resistance level of 75.50, the upside rally could test the level of 76.40-77.20 in the upcoming sessions.
- On the contrary, if the resistance holds strong then the market might have a chance to turn bearish once again. The downside rally could test 74.60-73.80 levels in the upcoming sessions.
- **USD-INR has its major support at 74.60 and resistance at 75.50.**

**Weekly Pivot Table**

Currency	S2	S1	Pivot	R1	R2
USD/INR	74.80	75.07	75.43	75.70	76.06
EUR/INR	86.71	87.11	87.36	87.76	88.01
GBP/INR	102.05	102.68	103.01	103.64	103.97
JPY /INR	65.61	66.05	66.77	67.21	67.93