

USD/INR at Support

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The Indian rupee closed flat on Friday as investors assessed the outcome of the US Federal Reserve Chair Jerome Powell's speech which is scheduled late in the evening and it also weighed down by a muted trend in domestic equities and firm crude oil prices.

The rupee is expected to trade in a range as at one end there could be good dollar inflows from IPOs and QIP while month-end dollar demand could be seen from oil marketing companies.

Meanwhile, the dollar index which fell ahead of US Manufacturing PMI data pared losses after Powell's comments and was closed 0.18% down at \$93.60.

In the U.S. bond market, yields on longer-dated US Treasuries slid. The yield on 10-year Treasury notes was down 1.6 basis points to 1.659% after rising to a five-month high of 1.7064% late Thursday.



Technical Outlook:

- USD-INR (OCT) future traded sideways for another day but manages to sustain above the level of 74.80, which is also the 50% Fibonacci retracement level on the daily chart.
- The overall trend is bullish but be cautious at the current level and wait for any confirmation.
- If prices manage to sustain above the support level of 74.80 then we may expect a bounce in the price for the upside targets of 75.20 – 75.80 in the upcoming sessions.
- On the contrary, if prices closed below the support level then the downside rally could test 74.30-73.80 levels in the upcoming sessions.
- USD-INR has its major support at 74.8 and resistance at 75.50.**

Weekly Pivot Table

Currency	S2	S1	Pivot	R1	R2
USD/INR	74.30	74.60	75.02	75.32	75.74
EUR/INR	86.54	86.86	87.24	87.56	87.94
GBP/INR	102.33	102.79	103.41	103.87	104.49
JPY /INR	65.13	65.42	65.75	66.04	66.37