

Rupee closed stable on Friday:

The Indian rupee closed rangebound on Friday even as crude oil prices rose about 3% to a two-month high on Thursday. Crude oil prices rose on signs of tight supply ahead of the US summer driving season and as the European Union continued to engage in a row with Hungary over plans to ban crude imports from Russia over its invasion of Ukraine. Meanwhile, the dollar index slid to about a one-month low as investors assessed whether the US Federal Reserve will slow down or halt its tightening cycle in the second half of the year, reducing the appeal of the safe-haven currency. This is expected to provide support to the Indian Rupee. Meanwhile, US initial jobless claims declined to 210,000, faring better than expected as the labour market remains tight amid strong demand for workers despite rising interest rates and tightening financial conditions. At the same time, revised figures showed that the US economy contracted at an annualised rate of 1.5% in Jan-Mar. In the US, equities ended higher on Thursday as solid earnings outlooks by retailers boosted investor confidence, given supply-chain disruptions and inflationary pressures have been fuelling economic growth concerns of late.

1-USDINR.Rolling - 27/05/22



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	77.30	77.56	77.73	77.99	78.16
EUR/INR	81.53	82.49	83.19	84.15	84.85
GBP/INR	96.13	97.10	97.83	98.80	99.53
JPY /INR	60.38	60.90	61.21	61.73	62.04