

Date: September 27, 2023

**Trend for the Day:**

**USDINR: 83.22** ↓

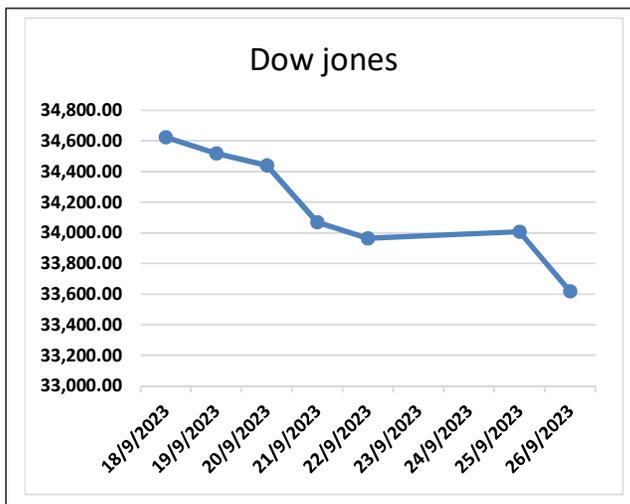
**EURINR: 87.89** ↓

**GBPINR: 101.08** ↓

**JPYINR: 55.84** ↓

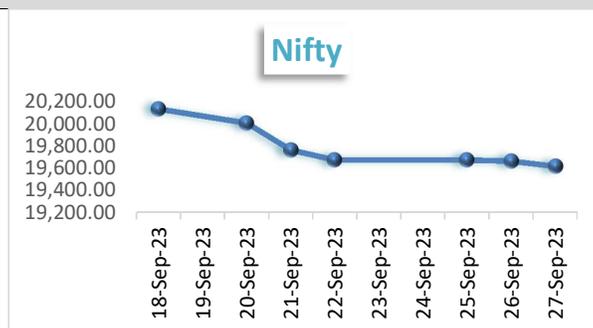
**Global Market**

- **US Market:** Wall Street's main indices ended down over 1 percent on Tuesday as 10-year Treasury yields held their multi-year highs, with investors still wrestling with prospects for a long period of high-interest rates and the economic fallout. The Dow Jones Industrial Average fell 388.00 points, or 1.14 percent, to 33,618.88, the S&P 500 lost 63.91 points, or 1.47 percent, to 4,273.53 and the Nasdaq Composite dropped 207.71 points, or 1.57 percent, to 13,063.61.
- **Asian Markets:** Asia stocks traded mixed as benchmark US Treasury yields hit multi-year highs. The MSCI's broadest index of Asia-Pacific shares outside Japan was flat, down 0.01 per cent. Japan's Nikkei dropped 0.56 per cent; Australia's ASX 200 shed 0.23 per cent; New Zealand's DJ declined 0.33 per cent; China's Shanghai gained 0.28 per cent; Hong Kong's Hang Seng surged 0.80 per cent; South Korea's Kospi fell 0.31 per cent.



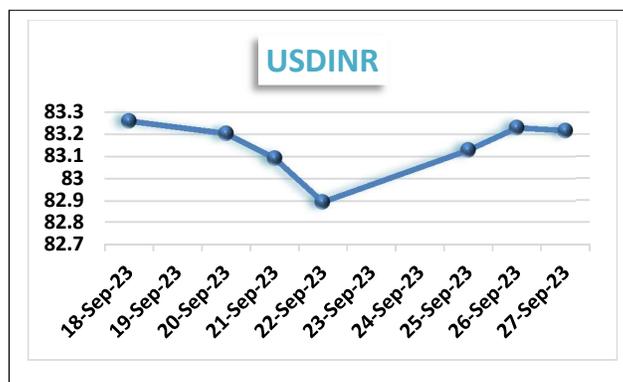
**Domestic Market**

- **Indian Benchmarks:** Today, NSE Nifty 50 and Sensex traded down to 19,616.50 and 65,742.91 levels due to negative global cues.
- **FII and DII:** On Tuesday, Foreign institutional investors (FII) sold shares worth Rs 693.47 crore, while domestic institutional investors (DII) bought Rs 714.75 crore worth of stocks on September 26, provisional data from the National Stock Exchange (NSE) showed.



**Currency Market**

- **USDINR:** USDINR opened little changed at Rs. 83.23/\$ on Wednesday compared to its previous close at Rs. 83.24/\$ level on Tuesday due to a firm greenback and higher crude oil prices.
- **Dollar Index:** The US dollar index which tracks the greenback against a basket of its peers surged at 106.24 on Wednesday after the Consumer confidence outcome was lower, but house prices rose despite high mortgage rates which led the



**Date: September 27, 2023**

investors to wrestle with prospects for a long period of high interest rates.

- **Crude Oil:** Crude Oil prices surged and hovered around the 95 levels at \$94.95/barrel on Wednesday as markets focused on supply tightness heading into winter and a 'soft landing' for the US economy.

## Other Major Pairs

- **EURUSD:** The EURUSD tumbled below 1.0600 level to 1.0558 due to the stronger dollar index after the higher housing data release. This week on Friday, Europe's CPI data release is scheduled which will drive the Euro further. Currently, the inflation is at 5.2%. The EURUSD may remain in the range between 1.0540 and 1.0580 levels.
- **GBPUSD:** GBPUSD traded down to the 1.2147 level on Wednesday weighed by the firm dollar index. This week, on Friday, the UK's GDP data outcome is scheduled which will be the major event from the UK that will drive the British Pound. The GBPUSD may remain in the range of 1.2130 -1.2170.
- **USDJPY:** The Japanese Yen extended its losses to 149.05 against the dollar index, on Wednesday, weighed by the surge in the dollar index. JPY is being hammered each day on the lack of policy support from BOJ. It is widely expected that 150 will be level on USDJPY where BOJ may intervene. Tomorrow, Japan's inflation data and Unemployment data are the two major data releases that will drive the Japanese Yen. The USDJPY might remain in the range of 148.90 – 149.30.

## Domestic Currency Pairs

Futures	Close	% Change
EURINR	88.47	0.1783%
GBPINR	101.8	0.0983%
JPYINR	56.0075	-0.0089%
USDINR	83.14	0.2079%



## Upcoming major events

Date	Time(IST)	Currency	Data & Evts	Actual	Forecast	Previous
26-Sep	7.30PM	US	CB Consumer Confidence	-	105.5	106.1
26-Sep	7.30PM	US	New Home Sales MoM	-	4.40%	-1.70%
28-Sep	6.00PM	US	GDP Growth Rate QoQ Final	-	2.10%	2.00%
28-Sep	6.00PM	US	Initial Jobless Claims	-	205K	201K
29-Sep	5.30PM	IND	Infrastructure Output YoY A	-	7.00%	8.00%
29-Sep	5.30PM	IND	Current Account	-	\$ -8.0B	\$ -1.3B
29-Sep	5.30PM	IND	External Debt	-	\$615B	\$624.7B

**Date: September 27, 2023**

## USD/INR Outlook & Strategy

The domestic currency pair USD/INR has been consolidating since October 2022 and as the prospects for further policy tightening by the Federal Reserve (Fed) continue to push the US Treasury bond yields higher and underpin the US Dollar (USD). Technically the USD/INR pair has posted gains on Tuesday's trading sessions and the weekly chart structure on USD/INR is suggesting the 83.00 mark could now be seen as a buying opportunity. The momentum indicators are signaling consolidation mode with positive bias. The support for the currency pair (27<sup>th</sup> Oct 2023 Expiry) will be seen at 83.29/83.24/83.10 levels. Break down of 83.10 can test at 82.94/82.58/82.28 levels. On the higher side, the immediate resistance will be at 83.60-84.10 levels. Technically the overall short-term trend on USD/INR is likely to remain positive and traders are advised to apply buy on dips strategy for short term gains



### ➤ OUTLOOK:

In the short term, the Indian rupee may stay in the depreciating zone against the US dollar weighed by a firm greenback, multi-year high US yields, and higher crude oil prices. Worries about the coming September 30<sup>th</sup> deadline on government spending in the US is keeping markets jittery. If the deadline passes without Congress passing the spending bill, the US government will be shut down, creating some uncertainty for the markets.

### ➤ RECOMMENDATION:

The above factors could influence the USD/INR pair, which could range **between 83.00 and 83.40 levels**. Exporters are advised to cover long-term hedges around the levels of **83.40 and beyond**. For Importers, it is advised to cover near-term payable around **83.00 levels**.

## Today's Currency Trading Strategy

Currency Futures	Expiry	Action	Entry	Target	Stop loss
<b>USD/INR</b>	27th October 2023	Buy	above 83.40	83.60	83.28
<b>EUR/INR</b>	27th October 2023	Buy	above 88.80	89.28	88.07
<b>GBP/INR</b>	27th October 2023	Buy	above 101.79	102.49	101.47

Date: September 27, 2023

## Day Trading Guide – Support &amp; Resistance

Pair	LTP	S2	S1	Pivot	R1	R2
EURINR	88.495	88.1467	88.3208	88.4317	88.6058	88.7167
GBPINR	101.665	101.3850	101.5250	101.6575	101.7975	101.9300
JPYINR	56.4125	56.2558	56.3342	56.3908	56.4692	56.5258
USDINR	83.385	83.1933	83.2892	83.3483	83.4442	83.5033

**Date: September 27, 2023****Currency Research Desk**

Name	Designation	E -mail
1. S. Devarajan 2. Smita Shinde	Senior Research Analyst	devarajan.s@way2wealth.com /smitashinde@way2wealth.com

**Disclaimer**

Analyst Certification: We, Devarajan Sadasivam and Smita Shinde the research analysts and authors of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that the authors of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations.

**Date: September 27, 2023**

In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavourable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.

For Research related queries, write at [research@way2wealth.com](mailto:research@way2wealth.com)

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.