

USDINR Weekly

21-Jan-19

Previous week, INR has depreciated on signs of weakening in global as well as domestic economies. Rupee was inefficient to capitalize gain even after in the hike of indian bond yield which usually exist between currency and bond due to intra market relationship. Sustainability of crude oil prices on higher side which again a concern for our domestic currency and weigh higher than other factors affecting it. Meanwhile, on the cross currency front, it was a mixed week where Euro & yen depreciated on weak economic numbers while sterling became stronger on short covering on the back of cessation on Brexit. In coming week, lack of domestic trigger could keep the currency in a range but escalation in crude oil prices could impact our currency negatively.

TECHNICAL FACTORS-

- a) Downward sloping trend line may act as barrier in its upside move.
- b) Failure to cross and sustain above 71.36-71.42 levels, can see a dip towards 70 and 69.76 marks on downside.
- c) However, trendline breakout above 71.72 level can push higher till 71.90 and 72.60 levels.
- d) Indicators are looking mix- RSI facing resistance near 50 and MACD & signal trades in positive territory indicate positive bias.

CHART

