

VIEW

Long awaited Brexit deal and softening crude oil prices has strengthened Rupee further to some extent and over all development in global & domestic front is also looking favourable in near term also. The dollar index which gauges the greenback's strength against a basket of six currencies slipped 1.5 % and closed at 97.28. Persistent foreign fund inflows propped up the domestic currency in gains from last three days. Going forward, we maintain our cautious stance on Rupee . The near term movement is likely to be driven is likely to be driven by the upcoming state election, progress in Brexit voting and US existing home sale data.

TECHNICAL FACTORS-

- a) Formation of shooting star on weekly chart suggesting halt will continue in coming week also
- b) Prices took the form of inverted Cup & Handle which can act as reversal for this ongoing trend but breakdown is expected below 70.35 level from where Rupee can accumulate strength
- c) Downward sloping line will act as stiff resistance near 71.35 while sustainability above the same can weaken the rupee till 72 mark
- d) Failure to cross and sustain above the mentioned resistance, it can slip down till 70.35 levels
- e) A decisive breakdown below 70.35 level can take strength of Rupee towards 69.70 and 69.20 levels

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL	
Resistance 2	72.00
Resistance 1	71.35
Close	71.09
Support 1	70.35
Support 2	69.70