

VIEW

Indian currency is likely to open higher tracking soaring crude oil prices due to the optimism behind trade talks. The basket of six currencies, DXY, continued to trade on positive terrain on Oct CPI which was larger than expected. On the domestic front, Indian CPI has exceeded RBI's medium term target of 4% which created negative sentiment for domestic currency. We expect rupee can weaken further after taking initial appreciation.

TECHNICAL FACTORS-

- a) Emergence of Evening star candles near 61.8% of Fibonacci retracement from the low of 68.35 to the high of 74.49 mark suggest negative sentiment for pairs
- b) But Gap up opening is expected on the back of global news.
- c) However, pair is going to face stiff resistance near 72.45-72.60 zone while sustainability above the same can weaken the rupee till 73 mark
- d) A decisive break below 71 can push down towards 70.84 and 70.10 mark on downside

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL	
Resistance 2	72.60
Resistance 1	72.45
Close	71.65
Support 1	71
Support 2	70.84