

VIEW

Cooling prices of crude oil which is hovering around 54-55\$ barrel , after declining from 65\$ barrel amid lower global oil demands due to fast spreading of coronavirus of china that has taken lives of number of people in the world. Any decline in oil prices can give respite in the weakening strength of rupee. Also weakening of the US dollar and gain in equity market has reined the upside momentum of the pair.RBI kept the repo rate unchanged and continued with the accomodative stance suggest halt in the upside move of the pair for time being.

**TECHNICAL FACTORS-**

- a) Formation of bullish engulfing type of candle on weekly chart suggest strength in rupee
- b) From last few months, pair has been trading around 61.8 % fibonacci retracement of its slump measured between 74.50 and 68.28 mark at 72.15 mark. Therefore, the latest advance could be considered corrective for rupee
- c) Tecnical indicators hovers within neutral levels lacking directional strength
- d) Upside will only possible if the pair sustains above 72.15 with scope then to correct towards 72.40 first and 72.65 later
- e) Strong support lies at 71 followed by 70.50 mark

**CHART ANALYSIS**



**SUPPORT & RESISTANCE LEVELS**

**USDINR LEVEL**

Resistance 2	72.40
Resistance 1	72.15
Close	71.22
Support 1	71
Support 2	70.50