

## **KEY HEADLINES:**

The Indian rupee hit a record low for a third straight session on Wednesday as foreign investors continued to dump riskier assets ahead of U.S. inflation data that could determine the pace of tightening in the world's largest economy.

The partially convertible rupee was trading at 79.66/67 per dollar compared to its previous close of 79.5975. The unit touched a life low of 79.6675.

Currencies in Asia have come under immense pressure in recent months, with expectations that the U.S. Federal Reserve will hike rates faster and further than its peers contributing significantly to the safe haven dollar's surge.

The Bank of Canada on Wednesday raised its main interest rate by 100 basis points in a bid to crush inflation, its biggest rate increase in 24 years, surprising markets and becoming the first G7 country to make such an aggressive hike in this economic cycle.

The dollar surged to a 20-year high against a basket of currencies and the euro broke below parity against the greenback after data on Wednesday showed U.S. consumer price inflation surged to a 40-1/2-year high in June. The euro plunged to \$0.9998 against the greenback, breaking below the \$1 level for the first time since Dec. 2002, before bouncing back to last trade at \$1.0024.

The Reserve Bank on Monday asked banks to put in place additional arrangements for export and import transactions in Indian rupees in view of increasing interest of the global trading community in the domestic currency. Before putting in place this mechanism, banks will require prior approval from the Foreign Exchange Department of the Reserve Bank of India (RBI), the central bank said in a circular. This mechanism may enable Indian exporters to receive advance payment against exports from overseas importers in rupees.

Foreign investors have pulled out over Rs 4,000 crore this month so far amid steady appreciation of the dollar and rising interest rates in the US. Foreign portfolio investors (FPI) have sold shares worth nearly \$30 billion so far in 2022 with traders fearing more outflows if a global recession were to kick in.

## **Economic Indicators to be released.**

Indicator	Currency	Forecast	Previous	Impact
EU Economic Forecasts	EUR			MEDIUM
PPI m/m	USD	0.8%	0.8%	HIGH
Core PPI m/m	USD	0.5%	0.5%	HIGH

**Support Resistance Levels – Currency Future:**

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	79.74	79.30	79	79.85	80.50	BULLISH
EURINR FUTURE	80.30	79.80	79.20	81.10	81.80	BEARISH
GBPINR FUTURE	95.07	94.60	94	95.55	96.20	SIDEWAYS
JPYINR FUTURE	58.28	58	57.60	58.50	59	BEARISH

Technical Research Analyst

Rohan Patil

Disclosure:

M/s. Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The Analysts engaged in preparation of this Report or his/her relative: - (a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report. The Analysts engaged in preparation of this Report:- (a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c) have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

M/s. Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No. INH100001666 and research analyst engaged in preparation of report

**Disclaimer:**

This research report has been published by M/s. Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken

as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of M/s. Bonanza portfolio Ltd shall be liable. Research report may differ between M/s. Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the Subject Company or third party in connection with the research report

M/s. Bonanza Portfolio Ltd at Bonanza House, Plot No. M-2, Cama Industrial Estate.  
Walbhat Road, Goregaon (E), Mumbai – 400063 Web site:  
<https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186