

## KEY HEADLINES:

The **rupee** depreciated by 11 paise over previous close in NSE Future market on Wednesday in volatile trade as surprise move by RBI to increase rates resulted in sharp fall in yield & rupee. Other side LIC mega IPO supports prices at lower level but FED rate increase expectations wipe out gains during the day.

At the NSE Future market, the rupee opened at 76.71 against the greenback and moved in a range of 76.78 to 76.40 in the day trade. It finally closed at 76.60, registering a fall of 11 paise over its previous close of 76.71.

In an unscheduled press briefing on Wednesday, the **Reserve Bank of India (RBI)** Governor **Shaktikanta Das** announced that the Monetary Policy Committee (**MPC**) in an off-cycle meet unanimously voted to hike rates.

The policy repo rate has been hiked by 40 bps to 4.40% with immediate effect. The standing deposit facility rate is now at 4.15% while the marginal standing facility rate and bank rate stand at 4.65%. The RBI also hiked the cash reserve ratio (CRR) by 50 basis points to 4.5% effective May 21. The withdrawal of liquidity due to this hike would be to the order of Rs 87,000 crore, Governor Das said.

The RBI on Wednesday hiked rates for the first time since August 1, 2018.

The Federal Reserve delivered the biggest hike in interest rates since 2000 and announced it would start shrinking its massive balance sheet next month, deploying the most aggressive tightening of monetary policy in decades to combat soaring inflation.

The increase in the FOMC's target for the federal funds rate, to a range of 0.75% to 1%, follows a quarter-point hike in March that ended two years of near-zero rates to help cushion the U.S. economy against the initial blow from Covid-19.

## Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
OPEC-JMMC Meetings	ALL			HIGH

Official Bank Rate	GBP	1.0%	0.75%	HIGH

**Support Resistance Levels – Currency Future:**

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	76.60	76.40	75.85	76.90	77.25	BULLISH
EURINR FUTURE	80.80	80.40	79.80	81.25	82	BEARISH
GBPINR FUTURE	95.93	95.65	95	96.60	97.40	BEARISH
JPYINR FUTURE	59.01	58.70	58	59.55	60	BEARISH

Technical Research Analyst

Rohan Patil

## **Disclosure:**

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. Bonanza Portfolio Ltd or its associates or Analyst or his relatives may or may not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report. Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No. INH100001666

## **Disclaimer:**

This research report has been published by 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 Bonanza portfolio Ltd shall be liable. Research report may differ between 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

*Bonanza Portfolio Ltd. 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*