

DATE: 1-8-2022

## KEY HEADLINE

The **Indian rupee** posted its biggest **single-day gain** in nearly a year on Friday, aided by a sharp reversal in the dollar, while bond yields touched their lowest in 2-1/2 months tracking falls in their U.S. counterparts.

U.S. **Treasury** yields fell overnight after data showed the economy contracted again in the second quarter, suggesting that the Fed may not need to be so aggressive with rate hikes to cool inflation.

The partially convertible rupee ended trading at 79.25 against the dollar, 0.6% stronger than Thursday's close of 79.7550 and its best single-day performance since Aug. 27 last year.

The benchmark 10-year bond yield ended trading at 7.3196%, after falling to 7.2527% earlier, its lowest since May 12. It had ended at 7.3316% on Thursday.

India's foreign exchange reserves got depleted by another \$1.152 billion in the week to July 22, reflecting the unabated fall in reserves albeit at a lesser pace. The reserves stood at \$571.560 billion as against the all-time high of \$642.453 billion seen on September 3 last year, Reserve Bank of India data showed.

The dollar rebounded from a three-week low in choppy trading on Friday, as a round of U.S. economic data suggested that inflation continued its red-hot rise in June, keeping the Federal Reserve on track to raise interest rates as aggressively as it deems necessary.

Foreign institutional investors remained net buyers in the capital market on Thursday as they purchased shares worth Rs 1,799.32 crore, as per exchange data.

The RBI said the decision of the MPC will be known on August 5 as against the earlier schedule of August 4. India's central bank has zero tolerance for volatile and bumpy movements in the rupee and will continue to engage with the foreign exchange market to ensure the rupee finds its level, its chief Shaktikanta Das said on last Friday.

## Currency pair

Currencies	25/7/2022	29/7/2022	Change (%)
USDINR	80.20	79.46	-1.00
EURINR	81.84	81.44	-0.50
GBPINR	96.0	96.74	0.80
JPYINR	58.78	59.68	1.50

## USDINR

**RECOMMENDATION: SELL BELOW 79.35 SL 79.65 TARGET 78.75**

## EURINR

**RECOMMENDATION: SELL BELOW 81.10 SL 81.60 TARGET 80.20**

## GBPINR

**RECOMMENDATION: SELL BELOW 96.50 SL 97.05 TARGET 95.40**

## JPYINR

**RECOMMENDATION: BUY ABOVE 60 SL 59.60 TARGET 60.75**

**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 sent 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*