

September 13, 2022

## Daily Currency & Commodity Outlook

### Daily Recommendation

Currency/Commodity	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Crude oil	Sep	Buy	6970-6980	7120	6870	1 day
GBPINR	Sep	Buy	93.00-93.02	93.30	92.80	1 day

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## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	108.31	108.97	-0.61%
US\$INR	79.63	79.70	-0.09%
EURUSD	1.0116	1.0043	0.73%
EURINR	80.75	80.29	0.57%
GBPUSD	1.1682	1.1585	0.84%
GBPINR	93.01	92.49	0.56%

## Daily Currency Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Sep-22)	79.25	79.44	79.76	79.95	80.26
US\$INR (27th Oct-22)	79.62	79.73	79.88	79.99	80.15
EURINR (28th Sep-22)	79.97	80.36	80.80	81.19	81.63
EURINR (27th Oct-22)	80.33	80.72	81.16	81.55	81.98
GBPINR (28th Sep-22)	92.36	92.69	92.95	93.28	93.54
GBPINR (27th Oct-22)	92.46	92.91	93.46	93.91	94.46
JPYINR (28th Sep-22)	55.59	55.76	55.91	56.08	56.23
JPYINR (27th Oct-22)	55.87	56.06	56.23	56.41	56.58

- Rupee future maturing on September 28 appreciated yesterday on expectations of strong CPI data from India. Further, uptick in domestic equity markets supported the rupee
- The US dollar fell to a more than one-week low on Monday as investors consolidated gains, ahead of a US inflation report that could determine the size of the Federal Reserve's rate hike at this month's policy meeting

- The Euro jumped to a more than three-week peak yesterday, as European Central Bank officials argued for further aggressive monetary tightening
- The pound appreciated by almost 1.00% on Monday amid a weak US dollar index and strong GDP data from the UK. The British economy expanded 0.2% in July from June 2022, rebounding from a 0.6% fall in the previous month. Services was the main driver of the expansion, namely information and communication

## Follow-up

Currency/Commodity	Contract	Action	Price	Target	Stoploss	Comment
Natural gas	Sep	Sell	639-639.5	624	649	Stop loss Triggered
EURINR	Sep	Sell	80.30-80.32	80.00	80.50	Not Initiated

## Bullion Outlook

- MCX gold prices edged higher on Monday amid a weaker dollar, while investors positioned for key inflation data as they assess the pace of future interest rate hikes by the US central bank
- Further, bullion prices were supported by weak US 10 year's treasury yields
- MCX gold prices are expected to trade with a positive bias for the day amid expectations of weak economic data from the US. It is likely to surpass the hurdle of ₹ 50,900 to continue its upward trend towards the level of ₹ 51,000 in the coming session
- Additionally, silver prices are likely to take cues from gold prices and rise towards the level of ₹ 59,500

## MCX Gold vs Silver Performance



## MCX Price Performance

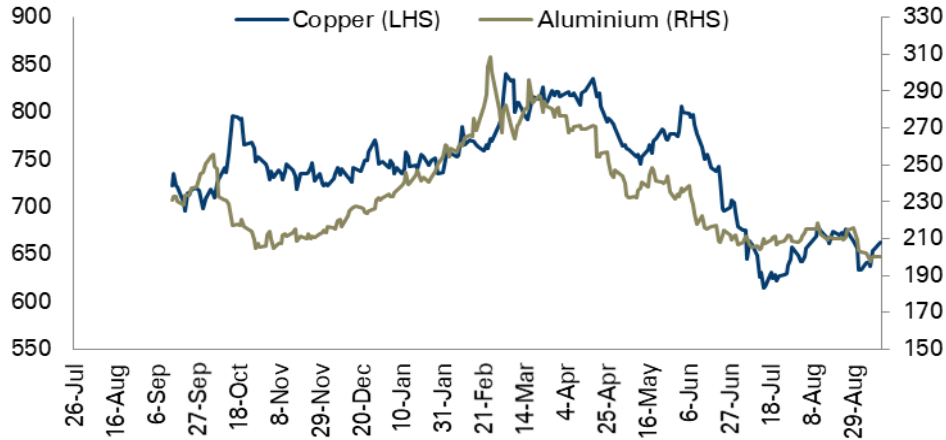
Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	50615	0.17%	1738.95	0.60%
Silver	57550	4.54%	19.82	5.63%
MCXBULLDEX	14049	1.41%	-	-
Copper	663.20	1.24%	7985.00	1.64%
Aluminium	200.15	-0.05%	2290.00	0.17%
Zinc	286.20	0.33%	3205.00	1.18%
Lead	179.55	1.18%	1917.00	0.79%
WTI Crude Oil	6968	0.85%	87.60	0.93%
US Nat Gas	657.6	2.93%	8.26	3.24%
MCXENRGDEX	9532	1.87%	-	-

## Daily Commodity Pivot Levels

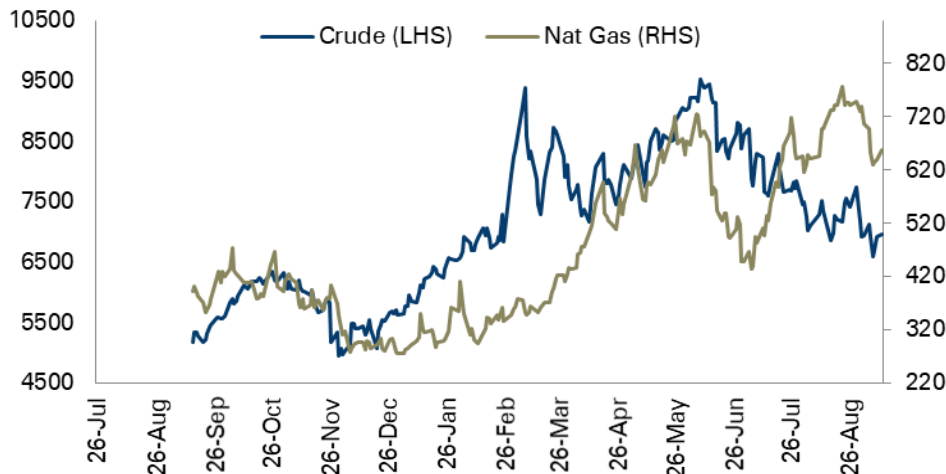
Commodity	S2	S1	Pivot	R1	R2
Gold	50189	50402	50591	50804	50993
Silver	53695	55623	56986	58914	60277
MCXBULLDEX	13744	13897	13982	14135	14220
Copper	646.7	654.9	659.5	667.7	672.3
Aluminium	197.5	198.8	200.6	201.9	203.7
Zinc	282.1	284.1	286.3	288.3	290.5
Lead	176.5	178.0	178.8	180.3	181.1
Crude Oil	6683	6825	6950	7092	7217
Nat Gas	608.3	633.0	650.4	675.1	692.5
MCXENRGDEX	9129	9330	9492	9693	9855

Source: Bloomberg, Reuters, ICICI Direct Research

## MCX Copper vs. Aluminium Performance



## MCX Crude Oil vs. Natural Gas Performance



## Base Metal Outlook

- MCX copper prices rose on Monday, supported by a weaker dollar while the markets awaited data from top consumer China for better clues on demand prospects
- On the supply side, supply risks of copper concentrate continued to linger after workers at Chile's Escondida, the world's largest copper mine, agreed to temporarily suspend a work stoppage planned for next week
- We expect copper prices to trade with a positive bias for the day amid supply risks in China that may support base metals prices

## Energy Outlook

- MCX crude oil prices rose on Monday, shaking off weaker demand expectations as supply concerns mounted heading into the winter
- At the same time, US emergency crude oil stocks fell 8.4 million barrels last week to 434.1 million barrels, their lowest since October 1984, according to US Department of Energy, supported crude oil prices
- We expect MCX crude oil prices to trade with a positive bias for the day as SPR stocks are declining due to sales from congressional mandates and Biden's price initiative

Data	Country	Time	Actual	Expected	Previous	Impact
German CPI (MoM) (Aug)	EUR	11:30 AM	-	0.30%	0.30%	Medium
Unemployment Rate (Jul)	GBP	11:30 AM	-	3.80%	3.80%	High
Average Earnings Index +Bonus (Jul)	GBP	11:30 AM	-	5.40%	5.10%	High
Claimant Count Change (Aug)	GBP	11:30 AM	-	-13.2K	-10.5K	High
Spanish CPI (YoY) (Aug)	EUR	12:30 PM	-	10.80%	10.40%	Medium
BoE Gov Bailey Speaks	GBP	1:30 PM	-	-	-	High
German ZEW Economic Sentiment (Sep)	EUR	2:30 PM	-	-60	-55.3	High
OPEC Monthly Report	USD	4:30 PM	-	-	-	Medium
CPI (YoY) (Aug)	USD	6:00 PM	-	8.10%	8.50%	High
Federal Budget Balance (Aug)	USD	11:30 PM	-	-213.5B	-211.0B	Medium

Source: Bloomberg, Reuters, ICICI Direct Research

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*Source: Bloomberg, Reuters, ICICI Direct Research*

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