

September 14, 2022

## Daily Currency & Commodity Outlook

### Daily Recommendation

Currency/Commodity	Expiry	Action	Entry	Target	Stop Loss	Time Frame
Copper	Sep	Sell	653-653.20	643	659	1 day
GBPINR	Sep	Sell	93.00-93.02	92.70	93.20	1 day

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## Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	109.90	108.31	1.47%
US\$INR	79.25	79.63	-0.48%
EURUSD	0.9972	1.0116	-1.42%
EURINR	80.72	80.75	-0.04%
GBPUSD	1.1495	1.1682	-1.60%
GBPINR	93.01	93.01	0.00%

## Daily Currency Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (28th Sep-22)	78.92	79.08	79.29	79.45	79.66
US\$INR (27th Oct-22)	79.12	79.29	79.50	79.67	79.88
EURINR (28th Sep-22)	80.15	80.44	80.60	80.90	81.06
EURINR (27th Oct-22)	80.52	80.80	80.96	81.24	81.40
GBPINR (28th Sep-22)	92.47	92.72	92.89	93.14	93.31
GBPINR (27th Oct-22)	92.82	93.09	93.27	93.54	93.72
JPYINR (28th Sep-22)	55.64	55.80	55.88	56.04	56.12
JPYINR (27th Oct-22)	55.07	55.66	56.61	57.20	58.15

- Rupee future maturing on September 28 appreciated yesterday by 0.48% amid weak CPI data from India. Inflation rate in India accelerated for the first time in four months to 7% in August 2022 from 6.71% in July, above market expectations of 6.9%
- The US dollar rallied sharply yesterday after data showed US consumer prices increased faster than expected in August, prompting bets on more aggressive rate hikes by the US Federal Reserve

- The Euro depreciated almost 1.40% yesterday amid weak German ZEW economic sentiment data from the euro area. The ZEW indicator of economic sentiment for Germany fell for a third month to -61.9 in September 2022 from -55.3 in August, reaching the lowest since October 2008 and worse than market forecasts of -60
- The pound edged lower by 1.60% despite strong jobs data from Britain. The jobless rate in the UK fell to 3.6% in the three months to July 2022, the lowest since 1974, from 3.8% in the previous period and compared to market forecasts of 3.8%

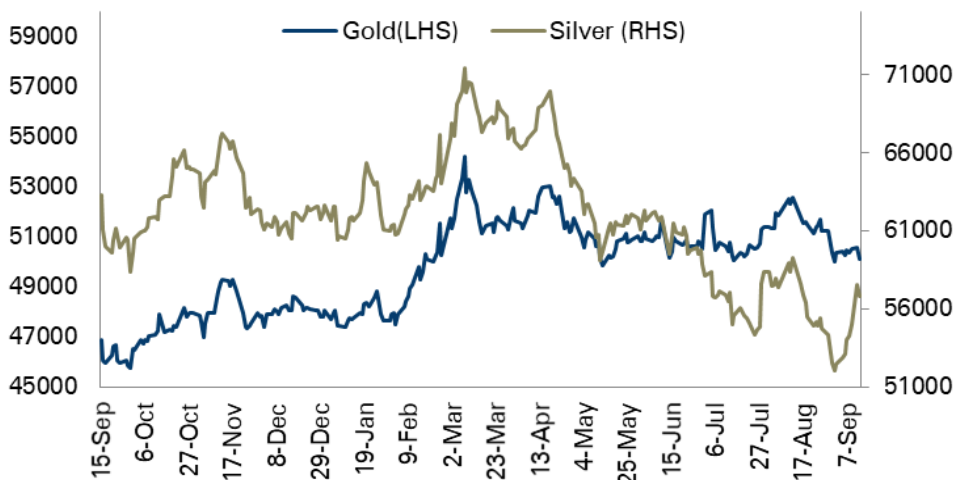
## Follow-up

Currency/Commodity	Contract	Action	Price	Target	Stoploss	Comment
Crude oil	Sep	Buy	6970-6980	7120	6870	Exit in Loss
GBPINR	Sep	Buy	93.00-93.02	93.30	92.80	Stop loss Triggered

## Bullion Outlook

- MCX gold prices fell almost 1.00% on Tuesday amid a sharp rise in the US dollar and US 10 year's treasury yields
- Further, bullion prices were pressurised after data showed US inflation rose in August, raised expectations of aggressive interest rate hike by US Fed
- MCX gold prices are expected to trade with a negative bias for the day amid expectations of further interest rate hike by the Fed, which will dent bullion demand. It is likely to trade towards the level of ₹ 49,880
- Additionally, silver prices are likely to take cues from gold prices and drop towards the level of ₹ 56,000

## MCX Gold vs Silver Performance



## MCX Price Performance

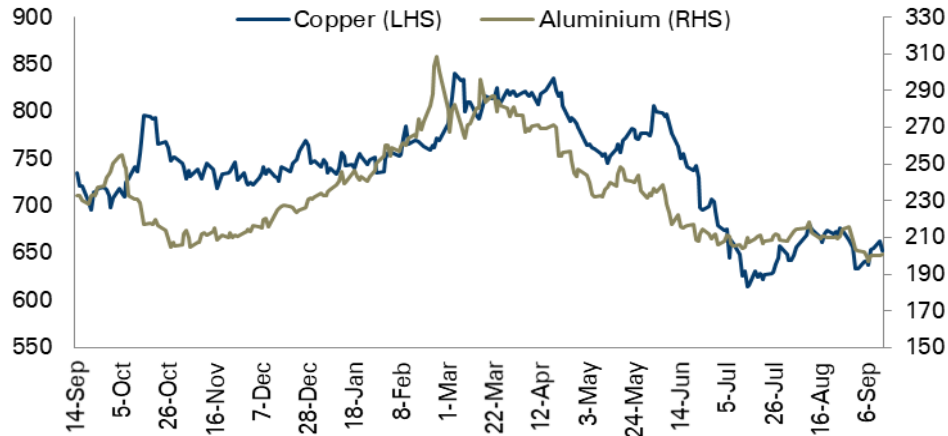
Commodity	LTP (₹)	Change	LTP (\$)	Change
Gold	50130	-0.99%	1713.10	-1.58%
Silver	56799	-1.20%	19.33	-2.66%
MCXBULLDEX	13890	-1.00%	-	-
Copper	652.40	-1.56%	7841.00	-1.44%
Aluminium	201.00	0.53%	2309.50	1.16%
Zinc	284.70	-0.45%	3224.00	0.86%
Lead	178.50	-0.47%	1949.00	1.67%
WTI Crude Oil	6944	-0.44%	87.54	-0.27%
US Nat Gas	656.6	-0.09%	8.41	1.89%
MCXENRGDEX	9490	-0.44%	-	-

## Daily Commodity Pivot Levels

Commodity	S2	S1	Pivot	R1	R2
Gold	49624	49877	50225	50478	50826
Silver	55891	56345	56997	57451	58103
MCXBULLDEX	13740	13815	13923	13998	14106
Copper	638.9	645.6	658.8	665.5	678.7
Aluminium	197.8	199.4	201.0	202.6	204.3
Zinc	279.4	282.1	287.3	290.0	295.2
Lead	176.0	177.3	179.0	180.2	181.9
Crude Oil	6646	6795	6934	7083	7222
Nat Gas	638.4	647.5	658.7	667.8	679.0
MCXENRGDEX	9216	9353	9508	9645	9799

Source: Bloomberg, Reuters, ICICI Direct Research

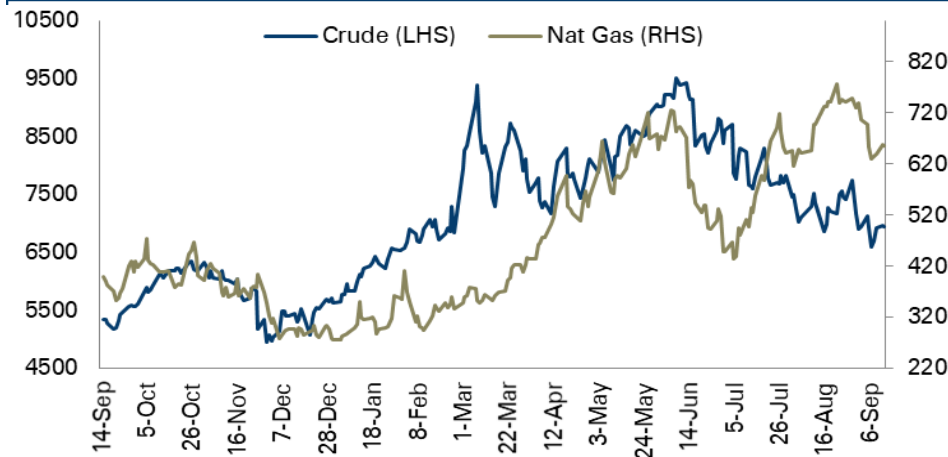
## MCX Copper vs. Aluminium Performance



## Base Metal Outlook

- MCX copper prices slipped by 1.56% on Tuesday amid a sharp rise in the US dollar index and growing concerns over a global economic slowdown
- Further, worries about continued lockdowns in China pressurised copper prices
- However, a drop in copper LME warehouse inventories prevented further downside in copper prices
- We expect copper prices to trade with a negative bias for the day amid strong US dollar

## MCX Crude Oil vs. Natural Gas Performance



## Energy Outlook

- MCX crude oil prices tumbled yesterday, reversing earlier gains as US consumer prices unexpectedly rose in August
- At the same time, renewed Covid-19 curbs in China, the world's second-largest oil consumer, weighed on crude prices
- We expect MCX crude oil prices to trade with a positive bias for the day amid expectations of a drop in US commercial crude oil inventories

# Economic Calendar

Data	Country	Time	Actual	Expected	Previous	Impact
CPI (YoY) (Aug)	GBP	11:30 AM	-	10.20%	10.10%	High
WPI Inflation (YoY) (Aug)	INR	12:00 PM	-	13.00%	13.93%	Medium
ECB's Enria Speaks	EUR	1:00 PM	-	-	-	Medium
IEA Monthly Report	USD	1:30 PM	-	-	-	Medium
Industrial Production (MoM) (Jul)	EUR	2:30 PM	-	-1.00%	0.70%	Medium
PPI (MoM) (Aug)	USD	6:00 PM	-	-0.10%	-0.50%	High
Crude Oil Inventories	USD	8:00 PM	-	-0.200M	8.844M	High

Source: Bloomberg, Reuters, ICICI Direct Research

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*Source: Bloomberg, Reuters, ICICI Direct Research*

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