



# FX DAILY DOSSIER

February 01, 2024

Major Currencies Pairs			
Currency	Value	Change	Net Change
EUR-USD	1.08	0	0.00%
USD-JPY	146.61	-0.34	-0.23%
GBP-USD	1.27	0.0005	0.04%
US Dollar Index	103.47	0.2	0.19%

INR Currencies pairs			
Currency	Value	1 Week	Net Change
\$ USD-INR	83.1325	-0.0750	-0.09%
€ EUR-INR	90.1850	-0.5025	-0.56%
£ GBP-INR	105.3975	-0.4450	-0.42%
¥ JPY-INR	56.5675	-0.1875	-0.33%

Major Asian Equities			
INDEX	Value	Change	Net Change
Asia Dow	3,589.67	-12	-0.32%
Nikkei 225	35,984.88	-301.83	-0.83%
Hang Seng	15,658.90	173.83	1.12%
Shanghai	2,783.13	-5.41	-0.19%
Sensex	71,752.11	612.21	0.86%
Singapore	3,145.29	-7.72	-0.24%

Major Future Contracts			
Future Contracts	Value	Change	Net Change
DJIA FUT	38,334.00	54	0.14%
S&P FUT	4,883.75	13.25	0.27%
NASDAQ FUT	17,315.75	73.5	0.43%
Gold	2,064.00	-3.4	-0.16%
Silver	23.09	-0.084	-0.36%
Crude Oil	76.38	0.53	0.70%

## ANALYSIS

The FOMC kept rates steady as anticipated, hinting at potential cuts later this year but said that a cut in March is "probably not the most likely case."

Powell stated rate cuts might commence in the coming months but stressed the need for sustained evidence of inflation meeting the 2% target.

Regarding a "soft landing," Powell expressed caution, noting progress in inflation but refraining from declaring victory.

The Fed chairman highlighted the risk of inflation stabilizing above 2%, emphasizing a patient approach to assess the evolving economic landscape.

Meanwhile markets are pricing in a 36% chance for a rate cut in March, down from a 88% chance seen a month ago. Further markets are now looking 90% chance of a rate cut in May.

However U.S yields are down after the Powell's statement. The 10-Y dropped to 3.91%. The 10-Y fell nearly 20 bps in January. Lower yields are likely to support emerging currencies including rupee as well.

The upshot for rupee remains stable and we may see USDINR trading in a range between 82.90 to 83.25 in coming days.

## LEVELS FOR THE DAY

Currency	Day's Trend	S3	S2	S1	Pivot	R1	R2	R3
\$ USD-INR	SIDEWAYS	82.9500	83.0225	83.0775	83.1500	83.2050	83.2775	83.3325
€ EUR-INR	SIDEWAYS TO NEGATIVE	89.7967	89.8883	90.0367	90.1283	90.2767	90.3683	90.5167
£ GBP-INR	SIDEWAYS	105.0900	105.2025	105.3000	105.4125	105.5100	105.6225	105.7200
¥ JPY-INR	SIDEWAYS TO POSITIVE	56.3333	56.4292	56.4983	56.5942	56.6633	56.7592	56.8283



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Economic Data						
IST	Currency	EVENT	Previous	Forecast	SMC Forecast	Impact
3:30 PM	EUR	Inflation Rate YoY Flash JAN	2.90%	2.80%	2.80%	Neutral for EUR
5:30 PM	GBP	BoE Interest Rate Decision	5.25%	5.25%	5.25%	Neutral for GBP
8:30 PM	USD	ISM Manufacturing PMI JAN	47.4	47	47.6	Neutral for USD

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