



FX DAILY DOSSIER

January 29, 2024

Major Currencies Pairs

Currency	Value	Change	Net Change
EUR-USD	1.0844	-0.0011	-0.10%
USD-JPY	148.12	-0.04	-0.03%
GBP-USD	1.27	-0.0004	-0.03%
US Dollar Index	103.5	0.07	0.07%

INR Currencies pairs

Currency	Value	1 Week	Net Change
\$ USD-INR	83.2075	-0.1350	-0.16%
€ EUR-INR	90.6875	1.6350	1.80%
£ GBP-INR	105.8425	4.0200	3.80%
¥ JPY-INR	56.7550	1.5275	2.69%

Major Asian Equities

INDEX	Value	Change	Net Change
Asia Dow	3,579.46	35.39	1.00%
Nikkei 225	36,026.43	275.36	0.77%
Hang Seng	16,176.45	224.22	1.41%
Shanghai	2,910.75	0.52	0.02%
Sensex	70,700.67	-359.64	-0.51%
Singapore	3,161.29	1.76	0.06%

Major Future Contracts

Future Contracts	Value	Change	Net Change
DJIA FUT	38,193	-65	-0.17%
S&P FUT	4,911.25	-5	-0.10%
NASDAQ FUT	17,531.50	4.5	0.03%
Gold	2,022.90	5.6	0.28%
Silver	23.02	0.148	0.65%
Crude Oil	78.5	0.49	0.63%

ANALYSIS

The dollar opened the week on a stable note, with investors carefully assessing U.S. economic data ahead of the Federal Reserve's policy meeting. Escalating geopolitical tensions in the Middle East contributed to a cautious risk sentiment among investors.

Against the backdrop of prevailing global economic conditions and heightened anticipation surrounding the Federal Reserve's upcoming policy meeting, the USD/INR currency pair appears set to maintain a range bound trajectory, hovering near the pivotal 83 mark.

In December, the Federal Reserve surprised the markets with a dovish tone and a projection of 75 basis points in rate cuts for 2024. However, recent strong economic data and opposition from central bankers led traders to revise their expectations. Currently, the markets reflect a 48% probability of a rate cut in March, down from 86% at the end of December, according to the CME FedWatch tool.

Investor attention for the week centers on the Federal Reserve's two-day policy meeting starting Tuesday. The central bank is expected to maintain current interest rates, placing the spotlight on Fed Chair Jerome Powell and his comments.

Apart from the Federal Reserve, Geopolitical concerns heightened after a drone attack resulted in the death of three U.S. service members near the Syrian border in Jordan. President Joe Biden attributed the attack to Iran-backed groups. Analysts suggest that these geopolitical tensions could offer temporary support to the safe-haven yen.

LEVELS FOR THE DAY

Currency	Day's Trend	S3	S2	S1	Pivot	R1	R2	R3
\$ USD-INR	SIDEWAYS	83.1133	83.1442	83.1758	83.2067	83.2383	83.2692	83.3008
€ EUR-INR	SIDEWAYS TO NEGATIVE	90.4275	90.5075	90.5975	90.6775	90.7675	90.8475	90.9375
£ GBP-INR	SIDEWAYS	105.4925	105.5925	105.7175	105.8175	105.9425	106.0425	106.1675
¥ JPY-INR	SIDEWAYS TO NEGATIVE	56.4842	56.5683	56.6617	56.7458	56.8392	56.9233	57.0167



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Economic Data						
IST	Currency	EVENT	Previous	Forecast	SMC Forecast	Impact
6:40 PM	EUR	ECB Guindos Speech				Neutral for EUR
9:00 PM	USD	Dallas Fed Manufacturing Index JAN	-9.3	-23	-23	Neutral for USD

Currency Research Team

Arnob Biswas - AVP
 arnobbiswas@smcindiaonline.com

Tapish Pandey - Analyst
 tapishpandey@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



Corporate Office:
 11/6B, Shanti Chamber,
 Pusa Road, New Delhi - 110005
 Tel: +91-11-30111000
 www.smcindiaonline.com

Mumbai Office:
 Lotus Corporate Park, A Wing 401/402, 4th Floor,
 Graham Firth Steel Compound, Off Western
 Express Highway, Jay Coach Signal, Goreagon
 (East) Mumbai - 400063
 Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
 18, Rabindra Sarani, Poddar Court, Gate No-4,
 5th Floor, Kolkata - 700001
 Tel.: 033 6612 7000/033 4058 7000
 Fax: 033 6612 7004/033 4058 7004

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