



# FX DAILY DOSSIER

March 23, 2023

## Major Currencies Pairs

Currency	Value	Change	Net Change
EUR-USD	1.09	0.0043	0.40%
USD-JPY	130.63	-0.81	-0.61%
GBP-USD	1.2317	0.0047	0.38%
US Dollar Index	102.16	-0.18	-0.18%

## INR Currencies pairs

Currency	Value	1 Week	Net Change
\$ USD-INR	82.3790	-0.4710	-0.57%
€ EUR-INR	89.7860	1.8135	2.02%
£ GBP-INR	101.4670	1.6970	1.67%
¥ JPY-INR	63.0600	0.5825	0.92%

## Major Asian Equities

INDEX	Value	Change	Net Change
Asia Dow	3,333.83	28.41	0.86%
Nikkei 225	27,400.37	-66.24	-0.24%
Hang Seng	19,727.17	135.74	0.69%
Shanghai	3,267.64	1.89	0.06%
Sensex	58,214.59	139.91	0.24%
Singapore	3,211.80	-9.18	-0.29%

## Major Future Contracts

Future Contracts	Value	Change	Net Change
DJIAFUT	32,403	145	0.45%
S&P FUT	3,989.00	18.5	0.47%
NASDAQ FUT	12,764.75	57.75	0.45%
Gold	1,977.00	27.4	1.41%
Silver	23.025	0.239	1.05%
Crude Oil	70.18	-0.72	-1.02%

## ANALYSIS

The dollar tumbled to a near seven-week low on Wednesday after the Federal Reserve hiked interest rates as expected, although some language in the central bank's announcement suggested that interest rates may be close to reaching their peak. The dollar index fell about 0.7% against a basket of currencies to 102.185 points- its weakest level since early-February.

The Fed hiked rates by 25 basis points to 4.75%-5%, within market expectations. But a change in the bank's language signaled a potential policy shift, which could see the bank hit its terminal rate sooner than expected. The central bank said that it will raise rates by at least 25 bps more this year. But it also said that "some additional policy firming may be appropriate," a shift from its previous language of "ongoing increases in the target range will be appropriate-" a statement it has mentioned in every policy meeting since March 2022, when it had embarked on its latest hiking spree.

The central bank kept its benchmark rate forecast unchanged from December and forecast a peak rate of 5.1% in 2023, and said it was not considering any rate cuts this year.

The Fed hiked rates by a cumulative 500 bps over the past year- its most aggressive tightening spree in 40 years, as it moved to curb rising inflation.

But the recent collapse of several regional U.S. banks raised concerns over damage to the economy from rising interest rates. While the bank had swiftly intervened to prevent a larger crisis and restore faith in the banking system, the event spurred increased bets that the Fed had limited economic headroom to stay hawkish this year.

## LEVELS FOR THE DAY

Currency	Day's Trend	S3	S2	S1	Pivot	R1	R2	R3
\$ USD-INR	SIDEWAYS TO NEGATIVE	82.0193	82.1797	82.2793	82.4397	82.5393	82.6997	82.7993
€ EUR-INR	SIDEWAYS TO POSITIVE	88.4307	88.1753	88.9807	88.7253	89.5307	89.2753	90.0807
£ GBP-INR	SIDEWAYS TO POSITIVE	100.3597	100.3923	100.9297	100.9623	101.4997	101.5323	102.0697
¥ JPY-INR	SIDEWAYS TO POSITIVE	61.7067	62.1033	62.5817	62.9783	63.4567	63.8533	64.3317

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Economic Data						
IST	Currency	EVENT	Previous	Forecast	SMC Forecast	Impact
5:30 PM	GBP	BoE Interest Rate Decision	4%	4.25%	4.25%	Neutral for GBP
5:30 PM	GBP	BoE MPC Vote Cut	0/9			Neutral for GBP
6:00 PM	USD	Initial Jobless Claims MAR/18	192K		193K	Neutral for USD
7:30 PM	USD	New Home Sales MoM FEB	7.20%		-4.50%	Neutral for USD

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