

Index	CMP
Dollar Index	105.45

The inflation data seems to be haunting the traders. On Wednesday we had the March inflation data and which hinted that the Inflation might rise higher, this reduced the bets of a rate cut in the month of June, in turn pushing the 2-year and the 10-year US bond yields higher.

The initial reaction of the Dollar index was a strong rally higher above the 105.00 mark from a low of 104.00.

Another trigger for the rally in the Dollar index is the increased expectation of the ECB cutting rate by 25 BPS in the month of June, while the expectation of the FED cutting the rates has drastically fallen.

In the coming sessions, we might see the pair move higher towards the 106.00-106.50 zone. On the downside the immediate support is placed near the 105.00-104.50



Chart source: LSEG

Index	CMP
USD/INR	83.23

The USD/INR on Wednesday started off on a negative note and then drifted lower for the rest of the session.

On the daily chart we can see that the pair has managed to hold above the 20 and the 50 day moving averages.

The Relative Strength Index (RSI) depicted on the daily chart appears to be moving lower, indicating increasing bearish momentum in the pair.

From a technical perspective, we foresee potential resistance emerging around the 83.50 mark. Conversely, immediate support is anticipated within the 83.10-83.00 zone.



Index	CMP
EUR/INR	90.34

The ECB kept the policy rate unchanged and kept the terminal rate steady at the highest level. The major trigger for the sell off in the Euro was the central bank hinting towards a possible rate cut in the month of June.

Coming on to the EUR/INR pair, we have been seeing a bit of a consolidation since the past couple of sessions.

Observing the daily chart, it is evident that the EUR/INR pair formed a candle with a small body, and long wicks, indicating lack of decisiveness in the pair.

In terms of price action analysis, we anticipate the pair to find support around the 89.20-89.00 zone.

On the upside the immediate resistance is placed near the 90.00 zone.



Index	CMP
JPY/INR	54.94

The strong rally in the Dollar index and the US 10-year bond yields, has pushed the USDJPY pair higher above the 153.00 mark. Examining the daily chart, we observe that the JPY/INR pair has been in a slow and a steady downward drift.

Furthermore, the RSI depicted on the daily chart is showing a downward trajectory, indicating an escalation in bearish momentum for the pair.

In terms of overall chart structure, it is evident that the pair is could trade with a negative bias. On the downside the major support is placed near the 54.50-54.30 zone. The 55.00-55.20 zone is expected to act as a resistance.



Index	CMP
GBP/INR	105.60

The expectations of a hawkish FED has pushed the pound lower. the GBPUSD pair moved lower towards 1.25 mark

On Wednesday, the GBP/INR pair opened on a flattish note and then moved higher towards the 105.60 zone

The price action on the daily chart suggests that the pair has been finding resistance around the 105.60-105.70 zone, so the price action around the this level will be very crucial to watch.

Looking ahead, we anticipate potential resistance emerging near the 105.70 level in the upcoming sessions. Conversely, immediate support is expected to be found around the 104.50-104.30 range.



Economic data releases

Time	Currency	Data	Forecast	Previous reading
10:00	JPY	Revised Industrial Production m/m	-0.10%	-0.10%
11:30	EUR	German Final CPI m/m	0.40%	0.40%
11:30	GBP	GDP m/m	0.10%	0.20%
11:30	GBP	Construction Output m/m	-0.40%	1.10%
11:30	GBP	Goods Trade Balance	-14.5B	-14.5B
11:30	GBP	Index of Services 3m/3m	0.10%	0.00%
11:30	GBP	Industrial Production m/m	0.00%	-0.20%
11:30	GBP	Manufacturing Production m/m	0.10%	0.00%
11:30	GBP	MPC Member Greene Speaks	--	--
12:15	EUR	French Final CPI m/m	0.20%	0.20%
All Day	EUR	ECOFIN Meetings	--	--
Tentative	GBP	NIESR GDP Estimate	--	0.00%
18:00	USD	Import Prices m/m	0.30%	0.30%
19:30	USD	Prelim UoM Consumer Sentiment	79	79.4
19:30	USD	Prelim UoM Inflation Expectations	--	2.90%

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