



Forex Market **Insights** Newsletter

Volume 213 → 15th June 2026 to 19th June
2026

Welcome

Dear members,

The Indian rupee staged a notable recovery this week. It appreciated to close at 95.11 against the opening of 95.37. RBI's continued measures to maintain orderly conditions in the foreign exchange market provided key support amid easing global pressures.

In the weekly performance, USDINR gained ground on lower crude oil prices near three-month lows of \$86.79 per barrel and a BoP surplus of \$7.2 billion, despite persistent FII selling. USDJPY maintained an upward bias, trading above the key 160.00 level, supported by safe-haven dollar demand and expectations of Fed tightening. EURUSD recovered to 1.1589, lifted by ECB's restrictive stance following a 25 bps hike and falling oil prices. GBPUSD traded firmer, rising from a three-week low of 1.3306 to close at 1.34066, backed by strong UK retail sales of 3.4% YoY.

Looking ahead, USDINR is expected to remain range-bound with a slight downward bias. Easing geopolitical tensions, lower crude prices, and RBI support may aid the rupee, while FII outflows, elevated US inflation at 4.2%, and a stronger dollar could cap gains. USDJPY will hinge on Fed expectations, Middle East developments, and BOJ decisions, with intervention risks limiting upside. EURUSD and GBPUSD face similar balances between domestic policy restrictiveness and persistent US inflationary pressures.

Thank you

Key Takeaway Summaries

₹ INR

The Indian rupee showed signs of recovery this week, appreciating to close at 95.11

€ EUR

EURUSD recovered previous losses during the week, reaching 1.1589.

£ GBP

GBPUSD traded with a firmer tone during the week, recovering from a three-week low of 1.3306

¥ JPY

USDJPY traded with a positive bias throughout the week, holding above the key 160.00

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Events to WATCH

June 15, 12:00
WPI Inflation
(YoY) (May)

June 16, 14:30
Trade Balance
(May)

June 16, 14:30
Exports (USD)
(May)

June 16, 14:30
Trade Balance
(May)

June 19, 17:00
FX Reserves
(USD)

The Indian rupee showed signs of recovery this week, appreciating to close at 95.11 compared to the opening of 95.37. Market sentiment improved after U.S.-Iran talks progressed positively, with reports indicating that both countries are working toward a MoU for a potential 60-day ceasefire. The development eased supply concerns, pushing Brent crude oil prices to a near three-month low of \$86.79 per barrel. Lower crude oil prices reduced pressure on India's import bill, supporting the domestic currency. Additional support came from the RBI's continued measures aimed at maintaining orderly conditions in the foreign exchange market. On the domestic front, India's CPI inflation accelerated to 3.93%, while the BoP recorded a surplus of \$7.2 billion during the January-March quarter, reflecting a healthy external position. Meanwhile, India's FX reserves stood at \$681.61 billion. However, persistent FII selling continued to generate dollar demand, limiting the rupee's gains.



Globally, the U.S. dollar remained firm during the week, with the DXY touching a two-and-a-half-month high of 100.31. Rising inflationary pressures in the United States saw inflation climb to a three-year high of 4.2%, increasing expectations of further Fed tightening. Stronger inflation reinforced the higher-for-longer interest rate narrative and supported the dollar. However, labor market data showed moderation, with initial jobless claims rising to 229K against expectations of 220K. At the same time, the University of Michigan Consumer Sentiment Index came in stronger than forecast, highlighting resilience in consumer confidence and the broader U.S. economy. Looking ahead, USDINR is expected to remain range-bound with a slight downward bias. Easing geopolitical tensions, lower crude oil prices, and RBI support measures may continue to support the rupee. However, persistent FII outflows, elevated U.S. inflation, and a stronger dollar environment could limit further appreciation in the

\$ USD

REPO RATE

3.75%

GDP

1.6%

INFLATION

4.2%

UNEMPLOYMENT

4.3%

TRADE BALANCE

\$ -55.9 B

Events to WATCH

June 15, 18:45
Industrial Production
(MoM) (May)

June 15, 18:45
Manufacturing Production
(MoM) (May)

June 16, 17:45
ADP Employment Change
Weekly

June 17, 18:00
Retail Sales (MoM)
(May)

June 17, 18:00
Crude oil Inventories

June 17, 23:30
Fed Interest Rate
Decision

June 18, 18:00
Initial Jobless Claims



The USDINR pair declined to a one-week low of 94.9550 during the final trading session of the week before settling at 95.11, down 0.7% on the day. On a weekly basis, the pair fell 0.23%, extending its losing streak to a fourth consecutive week.

Repeated failures to sustain above the 95.60–95.80 region and the formation of lower highs over recent sessions indicate fading upward momentum and a possible continuation of the corrective phase in the near term. From a technical perspective, the lower band of the Linear Regression Channel near 94.70–94.80 represents a key support zone; a sustained break below this area could accelerate losses towards the 100-DMA near 93.30. On the upside, a decisive move above 95.80 (short-term resistance, pink line) would signal renewed buying interest and could pave the way for a retest of 96.50–96.80 (middle band of regression channel). Overall, while the long-term trend remains constructive as long as prices hold within the regression channel, the near-term outlook points towards consolidation to mildly bearish price action until a clear breakout emerges.

Given the price action, importers should look to hedge if the pair make a move towards 50-D SMA, using a mix of plain forwards and call options. While exporters can gradually look to increase hedge ratio around 95.80 region.

Events to WATCH

June 15, 14:30
Trade Balance (Apr)

June 16, 14:30
ZEW Economic
Sentiment (Jun)

June 17, 14:30
CPI (MoM) (May)

June 17, 14:30
Core CPI (MoM)
(May)

EURUSD recovered previous losses during the week, reaching 1.1589, as oil prices fell 9% to \$86.79 per barrel amid easing Middle East tensions and improved market sentiment. Euro drew support from expectations that the ECB would maintain a restrictive policy stance after delivering a widely expected 25 bps rate hike on 11 June. The ECB raised its inflation forecasts and highlighted upside risks to price stability, while Bundesbank President Joachim Nagel and other policymakers kept the possibility of further tightening open if inflation pressures persisted. Eurozone fundamentals remained supportive, with May CPI at 3.2%, services inflation at 3.5%, and core inflation at 2.5%, reinforcing expectations of prolonged policy restrictiveness. On the U.S. side, CPI accelerated above 4% its highest level in about three years, while PPI recorded its strongest annual increase in roughly 3½ years. Jobless claims rose to 229K but remained consistent with a relatively stable labor market. These stronger inflation readings reinforced expectations that the Feds would keep interest rates elevated for longer, reducing expectations for near-term monetary easing. Going forward, EURUSD may remain supported by ECB's restrictive policy stance and easing geopolitical risks, while persistent U.S. inflation is likely to limit upside momentum.



EURUSD posted a modest recovery this week, rebounding from the key 1.1500 support zone and closing near 1.1567. The pair attracted buying interest around this level after last week's sharp decline, helping it recover part of its losses. However, EURUSD remains below key resistance levels and continues to trade within a broader bearish structure. Technically, immediate resistance is seen in the 1.1580–1.1610 range, with the 25-day SMA near 1.1624 adding further resistance. A sustained move above this zone could improve sentiment and pave the way for a recovery toward 1.1700. On the downside, 1.1500 remains a crucial support level, a break below this area could expose the next support at 1.1450, followed by the year low near 1.1410. The RSI has recovered from near-oversold territory and is currently around 42.5, indicating that bearish momentum is easing but remains below neutral levels. EURUSD is expected to trade with a cautiously neutral bias. Progress in U.S.-Iran negotiations may support further gains, while renewed geopolitical tensions could put the 1.1500 support zone under pressure once again.

Events to WATCH

June 17, 11:30
CPI (MOM) (May)

June 17, 11:30
Core CPI (MoM) (May)

June 18 11:30
Unemployment
Rate (Apr)

June 18 11:30
Claimant Count Change
(May)

June 18 16:30
BoE Interest Rate
Decision

June 19, 11:30
Retail Sales (MoM)

GBPUSD traded with a firmer tone during the week, recovering from a three-week low of 1.3306 to close at 1.34066, as Sterling found support from stronger consumer spending and easing U.K. inflation concerns. The Pound initially remained resilient after U.K. Retail Sales (YoY) surged 3.4%, significantly above expectations of 0.8%, indicating robust consumer demand and providing support to the U.K. economic outlook. However, gains were capped after U.K. GDP (MoM) contracted by 0.1% in April, in line with expectations, highlighting underlying growth concerns and reinforcing expectations of a cautious Bank of England policy stance. Meanwhile, the U.S. Dollar remained supported by elevated Treasury yields and geopolitical tensions in the Middle East that boosted safe-haven demand. U.S. CPI (YoY) came in at 4.2%, matching expectations and signaling persistent inflation pressures, though Sterling managed to recover from weekly lows. Overall, GBPUSD closed the week higher as improving U.K. demand conditions outweighed concerns over slowing growth. Looking ahead, GBPUSD is expected to remain sensitive to upcoming U.K. economic data and further signals from Fed officials regarding the interest rate outlook.



GBPUSD ended the week at 1.3394, trading with a mildly bearish bias as the pair remains below the 100-day SMA (1.3468) and the Bollinger Band midline (1.3418). Momentum remains subdued, with the RSI near 48 indicating a neutral and consolidative market environment rather than strong selling pressure. On the upside, immediate resistance is seen at 1.3418, followed by the 100-day SMA at 1.3468, while a break above these levels could open the way toward the 1.3500 area. On the downside, initial support is located at the lower Bollinger Band near 1.3337. A sustained move below this level could trigger a deeper pullback toward 1.3215–1.3230 support zone. Overall, GBPUSD remains range-bound, with traders awaiting a decisive break from current levels for the next directional move.

¥ JPY

REPO RATE

0.75%

GDP

0.5%

INFLATION

1.4%

UNEMPLOYMENT

2.7%

TRADE BALANCE

¥ 301.9 B

Events to WATCH

June 16, 08:00
BoJ Interest
Rate Decision

June 17, 05:20
Trade Balance (May)

June 19, 05:00
National Core CPI
(MoM) (May)

June 19, 05:00
National CPI (MoM)
(May)

The USDJPY pair maintained an upward bias throughout the week, trading above the key 160.00 level amid heightened geopolitical developments, monetary policy expectations, and intervention risks. The dollar benefited from renewed safe-haven demand amid escalating tensions in the Middle East, including the ongoing conflict involving Iran and Israel. Expectations of a Fed rate hike later this year were further supported by stronger-than-expected US Nonfarm Payrolls and PPI data. Meanwhile, the yen received support from improving domestic fundamentals. Japan reported stronger-than-expected first-quarter GDP growth of 0.5%, bank lending growth of 5.7%, and firm producer inflation, reinforcing market expectations that the BOJ could raise interest rates to 1.0% at its June policy meeting. However, despite rising expectations of BOJ tightening and a narrowing rate differential, the yen remained under pressure as sustained dollar demand and concerns over higher energy import costs continued to weigh on the currency. Looking ahead, USDJPY is likely to remain influenced by Fed expectations, developments in the Middle East, and upcoming BOJ policy decisions. However, intervention risks and tighter Japanese monetary policy could cap further gains in the pair.



USDJPY traded with a positive bias throughout the week, holding above the key 160.00 and touching a high of 160.376 before closing at 160.228. The pair continues to trade near yearly highs, reflecting sustained bullish momentum. From a technical perspective, USDJPY remains firmly bullish while trading above the 9-day EMA at 160.080 and within a rising linear regression channel. Price action is currently consolidating just below the recent high of 160.376 and the major resistance zone at 160.70–160.73. The bullish structure is further supported by the double-bottom formation established earlier this year. A sustained break above 160.73 could accelerate gains toward 161.95, the 2024 high, with scope for an extension toward 163.50. On the downside, immediate support is seen at the 9-day EMA near 160.08, followed by 159.00, while stronger support is located at 158.45, near the lower boundary of the regression channel. A break below this zone could expose 157.00. Overall, USDJPY retains a bullish bias while holding above key trend support.



Enhancing Forex Risk Management

Forex markets can be volatile, yet businesses don't have to be. Many companies face challenges managing foreign exchange risk, often relying on unstructured, reactive strategies, where decisions are made based on immediate need rather than a clear, predefined plan. Common problems include over-reliance on banks for advice and unpredictable cash flow, which can erode margins and destabilize profitability. Without proper risk management, businesses are exposed to currency fluctuations that can significantly affect their operations.

Key Components of Forex Risk Management Framework

1. Exposure Identification: Recognizing Risk Points

Natural (Operational): Exposure that arises from day-to-day imports and exports. These are confirmed inflows or outflows in foreign currencies for goods or services already contracted.

Financial: This type of exposure comes from foreign currency loans, investments, or liabilities. If a company borrows in USD but earns in INR, any fluctuation in the exchange rate can alter repayment costs or investment returns, impacting profitability.

2. Risk Profiling: Understanding Your Risk Tolerance

After identifying the areas of exposure, the next step is to understand how much risk your company is willing to accept, known as the "risk appetite." This is achieved by:

Quantifying potential losses: Estimating the impact of adverse currency movements on the business.

Analyzing volatility: Understanding how much a currency pair fluctuates over time.

3. Hedging Policy Formulation: Creating a Structured Approach

A hedging policy acts as a guideline for managing forex risks using various tools. The policy should be clear and align with the company's business goals and risk appetite. Key components of a hedge policy include:

Objective: The goal of hedging (e.g., protecting margins, stabilizing cash flows).

Scope: Determining which exposures will be hedged (e.g., foreign currency receivables, payables).

Instruments: Identifying which financial tools (e.g., forward contracts, options) will be used.

Hedging Ratio: Deciding what percentage of each exposure will be hedged (e.g., 70% of forecasted sales).

Roles and Responsibilities: Defining who is authorized to make decisions and execute hedging strategies.

4. Execution Protocols: Implementing the Strategy

Execution protocols are essential to ensure that the hedging strategy is implemented accurately and efficiently. These protocols provide the step-by-step process for executing forex trades and minimizing errors with the hedging policy.

Conclusion

Structured forex risk management isn't just for large corporates anymore because Myforexeye offers customized forex solutions that help businesses understand their exposure, plan their currency strategies, and ultimately protect their margins. It's time to stop leaving money on the table and start taking control of forex risk. costliest decision your business makes.



Mobile Application: Features

Live rates

Exact time Live Rates are provided for USD, INR, EUR, JPY, GBP and CNY.

Forward Calendar

Shows the forward rate you'll receive if you book a contract today for the respective rate to hedge, for both import and export separately.

Rate Alert

Set Rate alert for different types of transactions and know when the target rate has traded for the first time in forex market.

Economic Calendar

Stay updated about the economic events taking place round the globe. Also their impact on the currency- high, medium or low.

Forex Research

Publications- Daily Reports, Premium Research, Daily Trading Calls, News, Case Studies, Weekly Report, Monthly Report, Blogs.

FX on Call

Get the best rates as the dealers of Myforexeye do live negotiation with the Bank on a conference call, which includes the client too.

Order For Forex

This feature enables you to Buy/ Sell Forex and Transfer Money for any purpose.

Process Forex Transactions

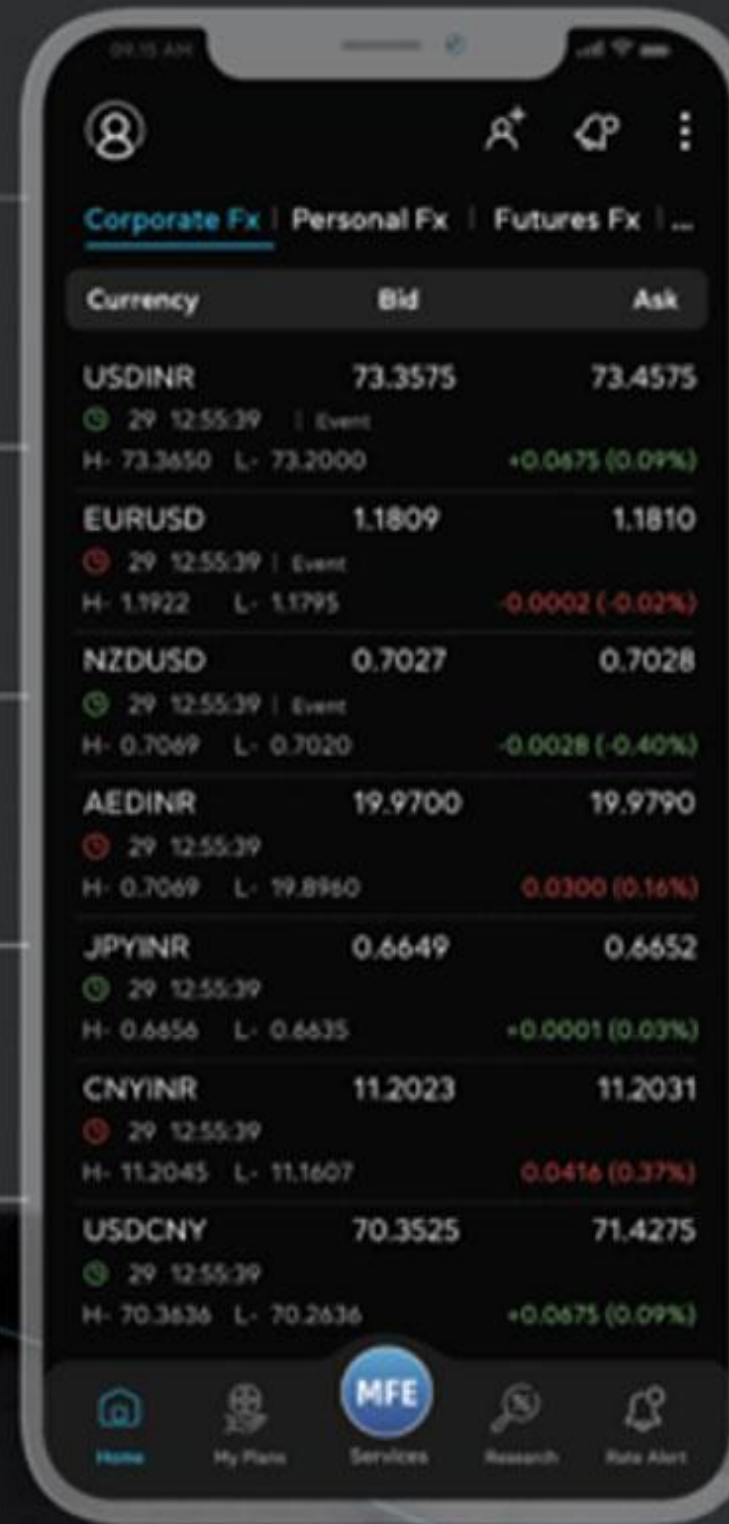
This feature gives you access to Transaction Process Outsourcing service for transactions including Cash, Tom, Spot, Forward, etc for both export and import.

International Trade Finance

Get access to trade services like Buyer's Credit, Supplier's Credit, Export LC Discounting and Export Factoring.

Forex Trading

This feature enables you to Buy/ Sell Forex and make money transfer for any purpose.



The screenshot displays the 'Corporate Fx' section of the app. It lists several currency pairs with their current bid and ask rates, along with high and low values for the day and the percentage change. The bottom navigation bar includes icons for Home, My Plans, MFE (Market for Foreign Exchange), Research, and Rate Alert.

Currency	Bid	Ask
USDINR	73.3575	73.4575
29 12:55:39 Event		
H- 73.3650 L- 73.2000	+0.0475 (0.09%)	
EURUSD	1.1809	1.1810
29 12:55:39 Event		
H- 1.1922 L- 1.1795	-0.0002 (-0.02%)	
NZDUSD	0.7027	0.7028
29 12:55:39 Event		
H- 0.7049 L- 0.7020	-0.0028 (-0.40%)	
AEDINR	19.9700	19.9790
29 12:55:39		
H- 0.7049 L- 19.8960	0.0300 (0.16%)	
JPYINR	0.6649	0.6652
29 12:55:39		
H- 0.6656 L- 0.6635	+0.0001 (0.03%)	
CNYINR	11.2023	11.2031
29 12:55:39		
H- 11.2045 L- 11.1607	0.0416 (0.37%)	
USDCNY	70.3525	71.4275
29 12:55:39		
H- 70.3636 L- 70.2636	+0.0475 (0.09%)	