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## GBPUSD: Bears Remain in Charge

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# GBPUSD Fundamental Update:

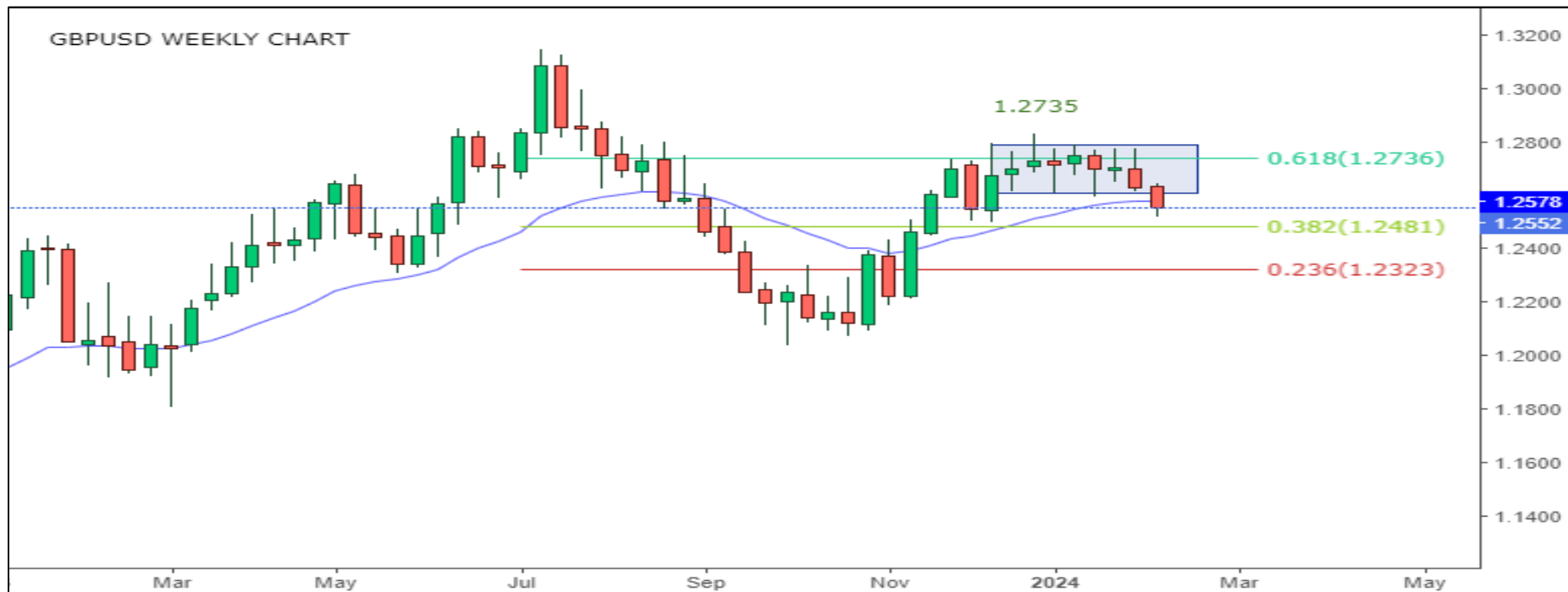
- Pound has been under pressure since the start of the year down by almost 1.4% primarily as the dollar strengthened against its major crosses
- Fed's rate cut expectation for March meeting have trimmed and that too has extended gains for the dollar
- Robust jobs numbers in the US also added as a booster for the dollar
- Market participants seem to be discounting rate cut announcement from the BoE in the second half of the year
- BoE also dropped its prior warning that "further tightening" would be necessary if indications emerged of more persistent inflationary pressure
- Overall, we expect pound to remain under pressure against the US dollar and any rallies towards 1.2605 would be a sell opportunity and the pair is likely to head towards 1.2250 in the short term

# GBPUSD Technical Chart:



- Since October 2023, GBP/USD has risen by approximately 6.50%, but recent developments show a breakdown of a triangle pattern on the daily chart. This, coupled with lower highs and lows formation, suggests a shift to a downtrend. Additionally, prices are below the Ichimoku conversion line (at 1.2665), acting as resistance, indicating potential further declines.
- The momentum indicator RSI (14) is currently below the 50 level, indicating a bearish sentiment in the near term.

# GBPUSD Technical Chart:



- On the Weekly chart, GBPUSD has given a Range breakdown and, is also trading below 21EMA which signals pressure in the counter.
- STRATEGY: Sell at 1.2565 and on rise towards 1.2605 targeting 1.2250. The view will be negated on close above 1.2780 mark. (CMP 1.2558)

# GBPINR Technical Chart:



- The weekly chart for GBPINR has also experienced a breakdown from its range and is currently trading below the 21EMA, indicating significant pressure in the counter.
- STRATEGY: Sell at 104.35 and on rise towards 104.70 targeting 102.00. The view will be negated on close above 106.70 mark. (CMP 104.27)



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