

# USD/INR

## FORECAST RELIABILITY REPORT

USD/INR Forecast Reliability Update

**MAY'26**

### DIRECTIONAL ACCURACY



Full History

**60.61%**



Month

**63.89%**



Month

**83.33%**

“

Forecast Accuracy is greater than 56%  
for the Right/Wrong Ratio across most of  
the forecast curve.

”



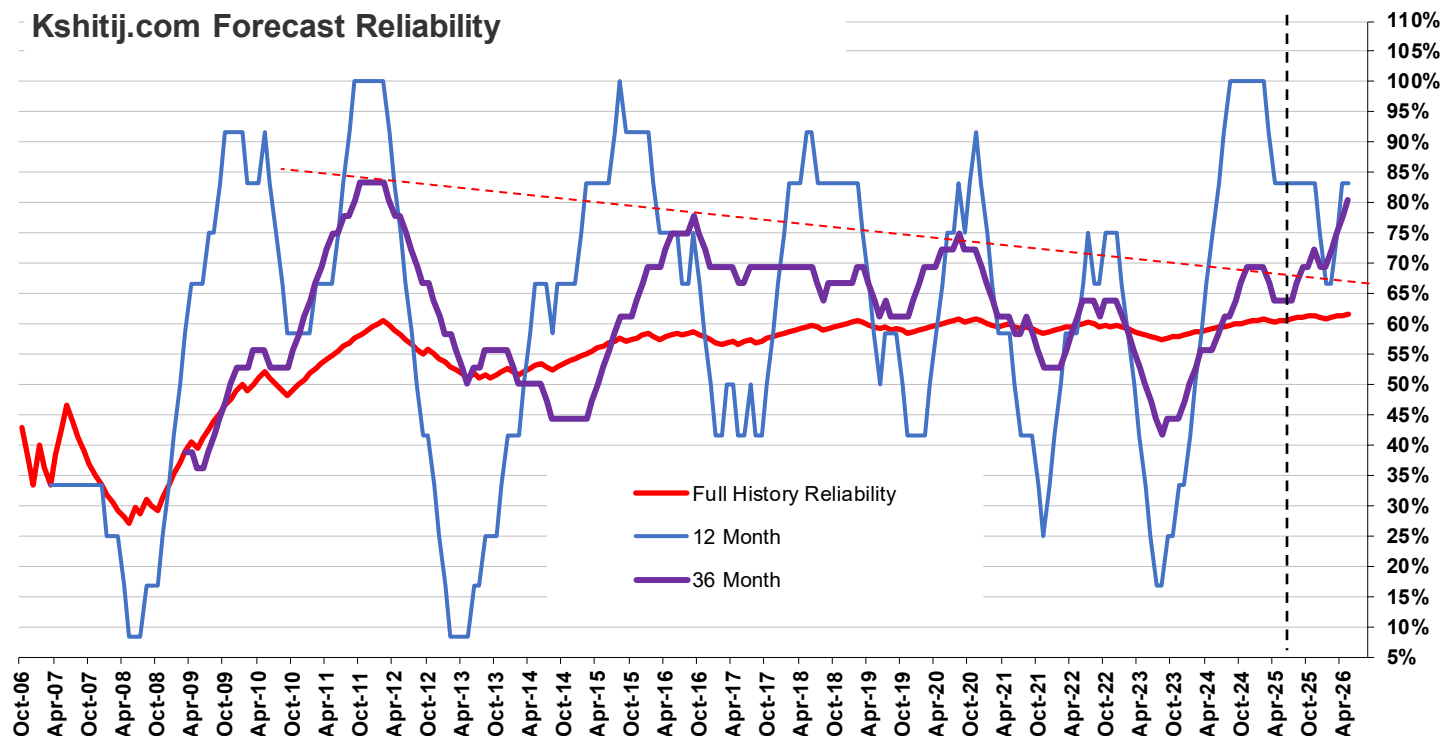
CURRENCY  
FORECASTS



HEDGING  
STRATEGIES

4-Jun -26

### USDINR FORECAST RELIABILITY AND ERROR%



Our new reliability tracking mechanism, give us a richer understanding of how our forecasts are doing. The chart above shows our running directional reliability in three different timeframes detailed below. The portion to the right of the black dotted vertical line is our projected reliability for the 12-months forecasts made during the period Apr-25 to May-26.

| Directional Reliability |            |           |
|-------------------------|------------|-----------|
| Period                  | Determined | Estimated |
|                         | Jun-25     | May-26    |
| Full History            | 60.61%     | 61.57%    |
| 36 Month                | 63.89%     | 80.56%    |
| 12 Month                | 83.33%     | 83.33%    |

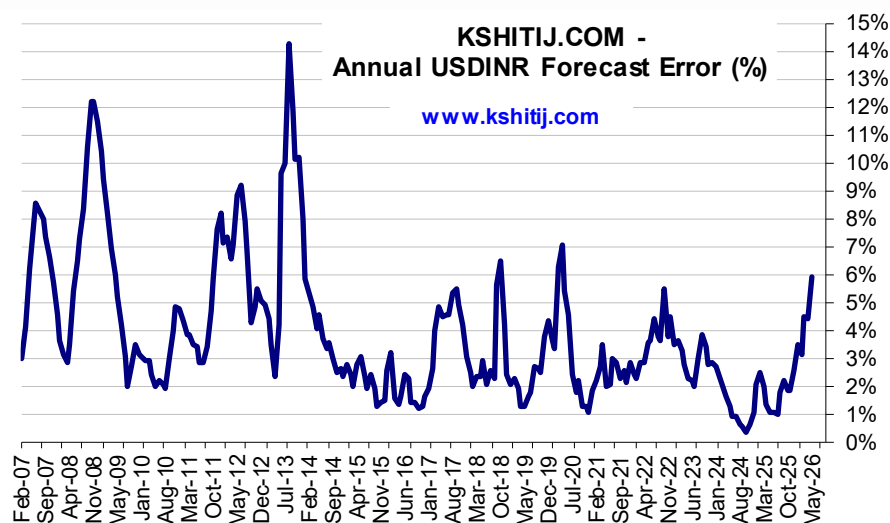
**Full History @ 60.61%:** This takes into consideration the directional reliability has improved from 60.43% in Apr-26 to 60.61% in May-26. Our reliability is expected to rise past the threshold of 61% in forecasts made in Sep-25 for the first time in our history.

**36 Month Reliability @ 63.89%:** This measures the running 36-month reliability. It is currently at 63.89% for Jun-25 and is expected to rise to 80.56% by May-26.

**12Month Reliability @ 83.33%:** This measures the running reliability of 12-months. It has been falling from 100% in Feb-25 and might dip some more towards 75%. However, this is in contrast with previous history wherein we might have expected the measure to fall towards 40%-25%.

This suggests a marked improvement in our forecasting process over the last 12-months.

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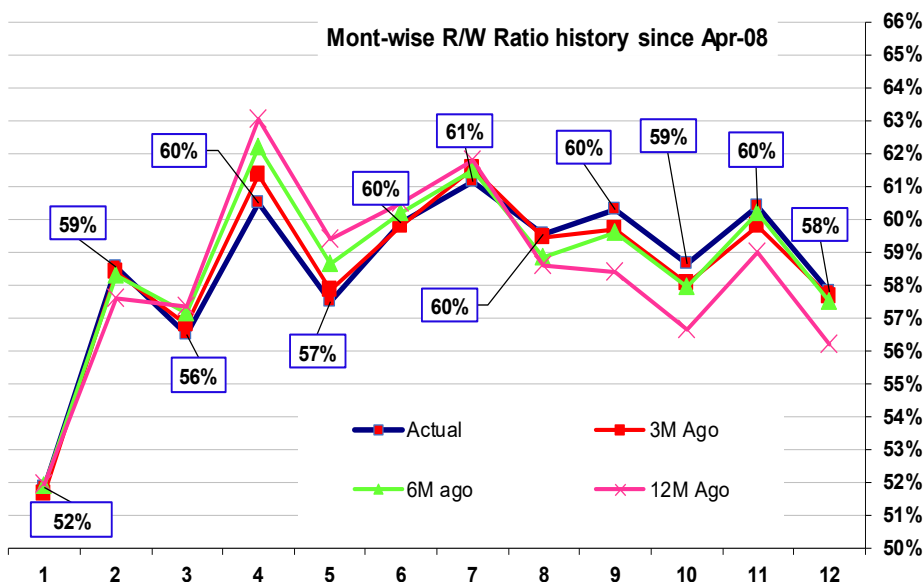


### PERCENTAGE ERROR @ 5.93%

This measures the absolute % error of our forecasts when compared with the actual rates that prevail later.

The May-26 error is 5.93%, up from 4.42% in Apr-26.

As mentioned in our last report the error has indeed risen above 4% due to war-induced volatility. A further rise above 6% will suggest further upside for USDINR towards 96-97, if not higher.



### MONTH-WISE RIGHT/WRONG RATIO

The chart alongside plots the month-wise directional Right/Wrong ratio of our forecasts for 1 to 12 months. The chart also plots the current ratios versus those seen 3-months, 6-months and 12-months ago respectively.

This measure allows us to understand our performance over the last 1 year and helps us to analyse for further scope of improvement.

The reliability for all the months stands above 50% and above 56% from the 2<sup>nd</sup> month till the 12<sup>th</sup> month, with the 7<sup>th</sup> month going as high as 61%.

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## HISTORICAL MONTHWISE DIRECTIONAL RIGHT/WRONG RATIO

