

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	74.9263	75.1413	-0.2150	-0.29%
DXY Index*	91.7680	91.6840	0.0840	0.09%
EURUSD*	1.1958	1.1964	-0.0006	-0.05%
GBPUSD*	1.3759	1.3778	-0.0019	-0.14%
USDJPY*	108.83	108.82	0.01	0.01%
USDINR 1M NDF*	75.19	75.43	-0.2400	-0.32%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14581.5	14504.8	76.7	0.53%
Sensex	48803.7	48544.1	259.6	0.53%
Hang-Seng	28796.8	28793.1	3.7	0.01%
Nikkei	29656.8	29642.7	14.1	0.05%
Shanghai	3402.6	3399.0	3.6	0.11%
S&P Index	4170.4	4124.7	45.8	1.11%
Dow Jones	34036.0	33730.9	305.1	0.90%
Nasdaq	14038.8	13857.8	180.9	1.31%
FTSE	6983.5	6939.6	43.9	0.63%
CAC	6234.1	6208.6	25.6	0.41%
DAX	15255.3	15209.2	46.2	0.30%

* Prev. Close 5pm IST

Rupee expected to open higher as dollar index hover near four week low

- » Indian rupee expected to open higher in line with stronger Asian currencies and dollar inflows in domestic equities. As per the provisional figures, foreign investors have bought worth Rs.980cr equities. Asian currencies traded higher after China's recorded strongest growth since at least 1992 to 18.3% in the first quarter from a year earlier.
- » On Thursday, spot USDINR closed at 74.93 from Monday's 75.06 level, broken the five day winning streak. Probable central bank's intervention and exporters' selling dollar dragged pair lower in second half of Thursday's trade.
- » The one month forward USDINR last quoted at 75.19 down 24 paise from yesterday's 5pm level indicating weaker opening at domestic bourses. USDINR is expected to trade lower in today's trade with downside support at 74.70 and resistance at 75.25.
- » India's trade deficit in goods widened to \$13.93 billion in March from \$9.98 billion during the same period a year earlier. Merchandise exports rose 60.29% in March from a year earlier to \$34.45 billion, while imports were up 53.74% to \$48.38 billion, on back of a low base effect in the lockdown last year same time. Going ahead challenges remain following surge in virus cases and rise in energy imports.
- » Asian stocks look poised to gain after surprisingly robust US economic data helped propel U.S. benchmark indexes to records while yields on benchmark US 10-year Treasury notes declined. Retail sales, jobless claims and regional Fed survey data all suggest the U.S. economy is firing on all cylinders. The 10- and 30-year yield quoting around 1.56% and 2.25%, respectively, each at its lowest in more than a month. Expect the dollar to remain under pressure as Treasury market risks are skewed toward further 10-year yield declines after they closed below support in the 1.58%-1.60% area.

USDINR April Daily Chart



Technical Observations:

- » USDINR April futures formed candle with small body and longer shadow suggesting long unwinding at higher level.
- » The pair sustained well above long term moving averages.
- » The pair has completed the flag pattern target by touching high of 75.50.
- » Oscillators on hourly chart suggesting profit booking.
- » We believe USDINR April futures may consolidate around 75 levels before heading higher. It has support at 74.70 and resistance at 75.50.

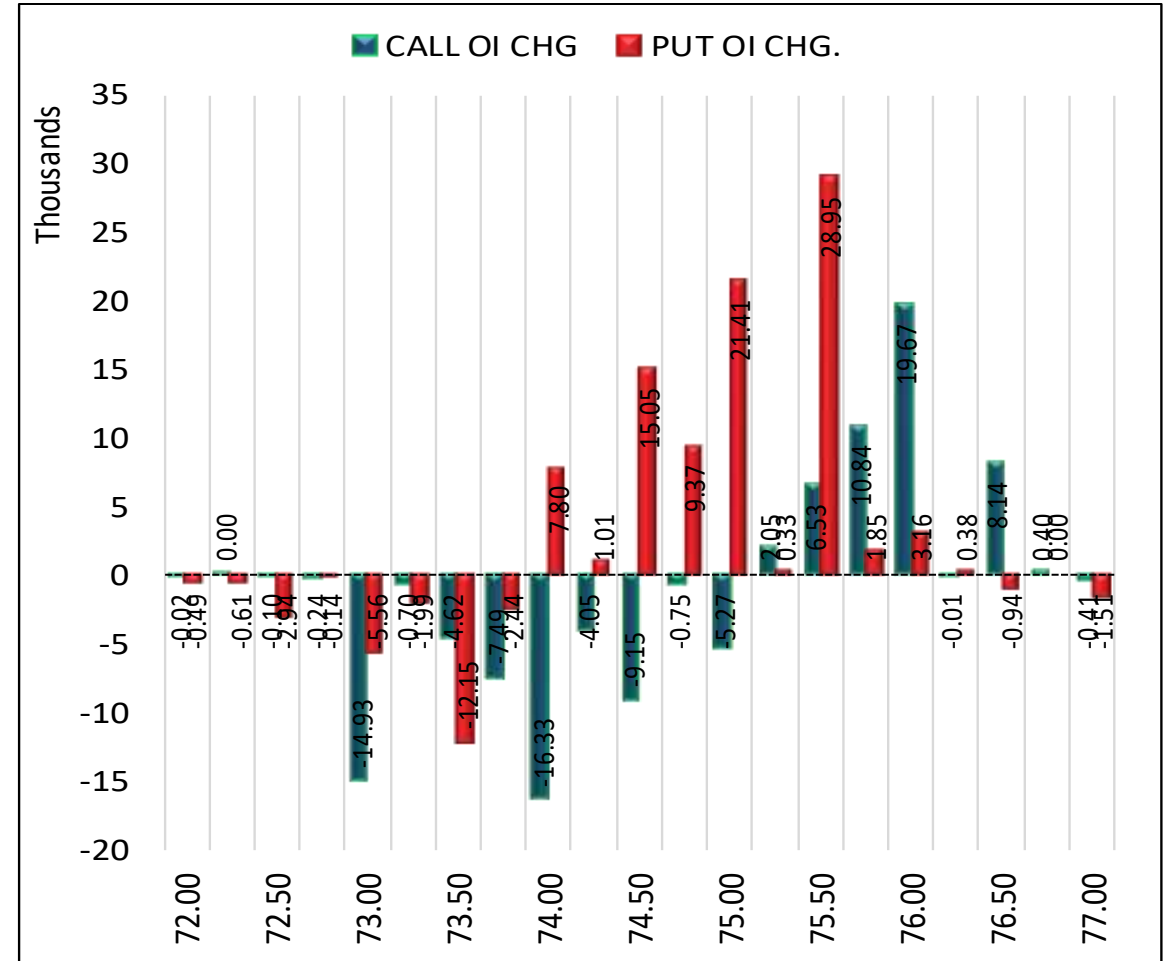
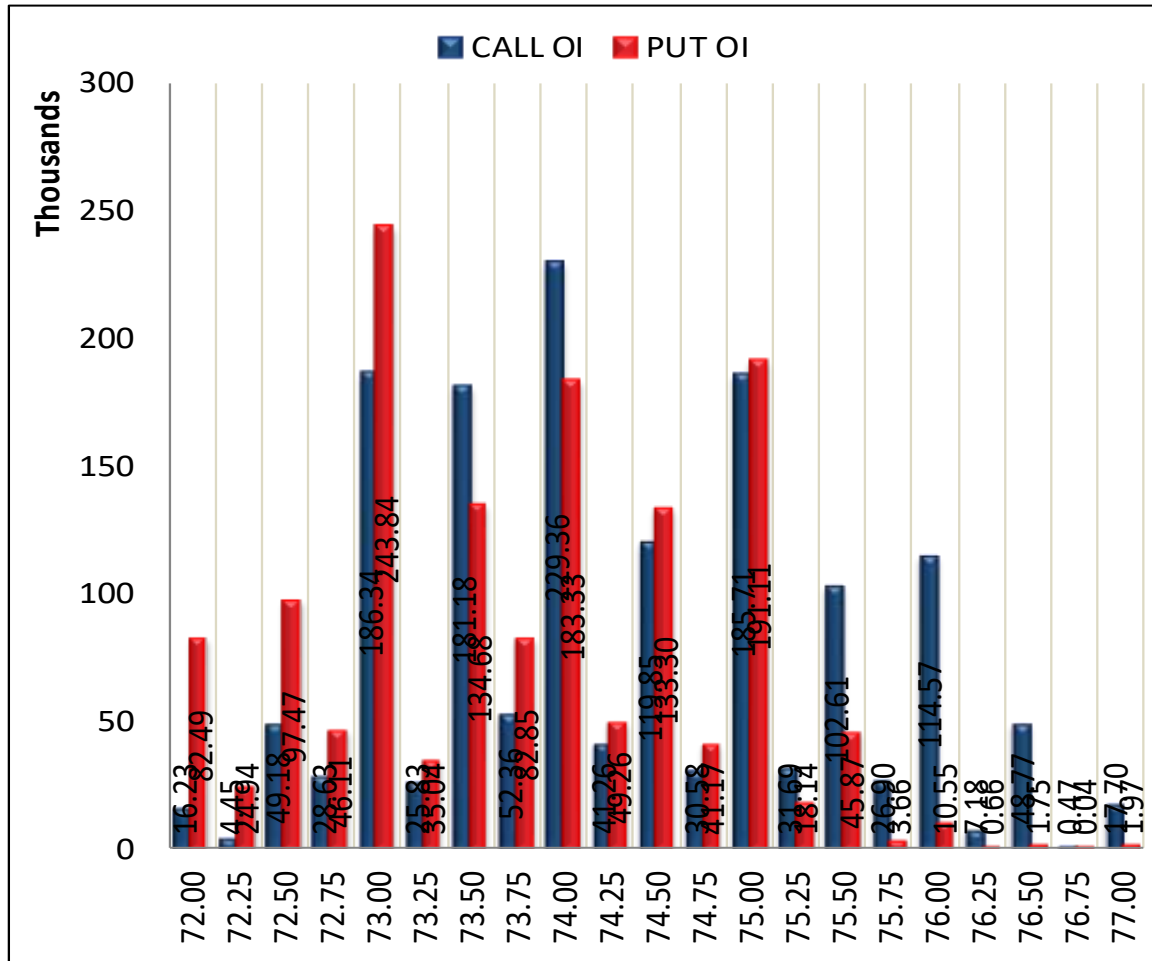
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Apr21	75.1000	75.4950	75.0250	75.2100	-0.01	3390613	-16995	3558821	-967710
NSE EURINR Future Apr21	90.0150	90.3275	89.8225	89.9725	0.45	121777	-2770	203525	19069
NSE GBPINR Future Apr21	103.5525	103.8925	103.3900	103.5375	0.07	191014	191014	231422	#VALUE!
NSE JPYINR Future Apr21	69.0625	69.3225	68.9700	69.1200	0.46	20795	-745	42175	-8823
NSE EURUSD Fut Apr21	1.1940	1.1989	1.1940	1.1966	0.53	2570	-129	856	-592
NSE GBPUSD Fut Apr21	1.3768	1.3800	1.3757	1.3771	0.10	3637	-182	642	-2971
NSE USDJPY Fut Apr21	108.94	108.94	108.70	108.78	-0.45	635	-239	261	212

Technical Levels

Currency Pairs	LAST	PIVOT	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA
NSE INRUSD Future Apr21	75.21	75.24	74.09	74.77	74.99	75.46	75.71	75.93	74.93	73.63
NSE EURINR Future Apr21	89.97	90.04	88.81	89.54	89.75	90.26	90.55	90.76	89.19	87.43
NSE GBPINR Future Apr21	103.54	103.61	102.39	103.10	103.32	103.82	104.11	104.33	103.07	101.71
NSE JPYINR Future Apr21	69.12	69.14	68.27	68.79	68.95	69.31	69.49	69.66	68.50	67.35
NSE EURUSD Fut Apr21	1.1966	1.1965	1.1842	1.1916	1.1941	1.1990	1.2014	1.2039	1.1902	1.1873
NSE GBPUSD Fut Apr21	1.3771	1.3776	1.3671	1.3733	1.3752	1.3795	1.3819	1.3838	1.3758	1.381605
NSE USDJPY Fut Apr21	108.78	108.81	108.22	108.57	108.67	108.91	109.05	109.15	109.36	109.34

USDINR April Month Option Distribution



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