

# HDFC securities Retail Research Currency Daily

27 April 2021

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## Currency Movements

Currency	Last Price	Prev. Close	Chg.	% Chg.
USDINR	74.730	75.020	-0.290	-0.39%
DXY Index	90.940	90.810	0.130	0.14%
EURUSD	1.2073	1.2083	-0.001	-0.08%
GBPUSD	1.3887	1.3896	-0.001	-0.06%
USDJPY	108.27	108.08	0.190	0.18%

## Global Equity Markets

Currency	Last Price	Prev. Close	Chg.	% Chg.
Nifty 50	14,485	14,341	144	1.00%
BSE Sensex 30	48,387	47,878	508	1.06%
Hang Seng	28,860	28,961	-101	-0.35%
Nikkei 225	29,077	29,126	-49	-0.17%
Shanghai Composite	3,428	3,441	-13	-0.38%
S&P 500	4,189	4,180	9	0.22%
Dow Jones	33,982	34,043	-62	-0.18%
NASDAQ Composite	14,139	14,017	122	0.87%
FTSE 100	6,963	6,939	25	0.35%
CAC 40	6,276	6,258	18	0.28%
DAX	15,296	15,280	17	0.11%

## Dollar Steady ahead of FOMC Outcome

- » Rupee expected to open steady inline with other Asian currencies. Forex and risky assets seem to be trading water before the Fed meeting Wednesday. The sentiments remain weak for local currencies as the Covid-19 outbreak keeps getting worse, with signs the country is running low on vaccines.
- » A relatively quiet session saw rupee float a bit higher following weaker dollar index and rebound risk assets. Spot USDINR started the week on back foot and closed at 74.73 with loss of 29 paise or 0.39%. The pair is expected to trade within range of 74.50 to 75.20 ahead of April month derivative expiry tomorrow.
- » Asian stocks are set for a muted open as the earnings season unfolds and amid expectations the Federal Reserve will remain accommodative at its meeting this week despite robust growth. Treasuries and the dollar were steady. The U.S. 10-year Treasury yield hovered around its 50-day moving average, well below last month's peaks.
- » The Federal Reserve is expected to begin trimming its \$120 billion in monthly asset purchases before the end of the year as the U.S. economy recovers strongly from Covid-19.
- » The pound advanced; the U.K. economy will see "very rapid growth at least over the next couple of quarters," Bank of England Deputy Governor Ben Broadbent told.
- » The Bank of Japan left its 10-year bond yield target unchanged at about 0% after concluding its two-day meeting on Tuesday. The central bank also kept the Policy-balance rate at -0.1% with votes 8-1. BoJ sees FY21 core CPI at 0.1% vs 0.5% previously and revised FY21 GDP at 4% from previous 3.9%

## USDINR May Hourly Chart



## Technical Observations:

- » USDINR May futures facing resistance at 75.20, the downward sloping trend line on hourly chart.
- » It has been trading below 21 EMA on hourly chart.
- » Momentum oscillator, stochastic is placed in oversold zone, suggesting consolidation in today's session.
- » +DI is placed below -DI and ADX line is weakening indicating weakness.
- » USDINR May futures expected to consolidate in the range of 74.70 to 75.20 in coming days.



## Currency Derivative Price Actions

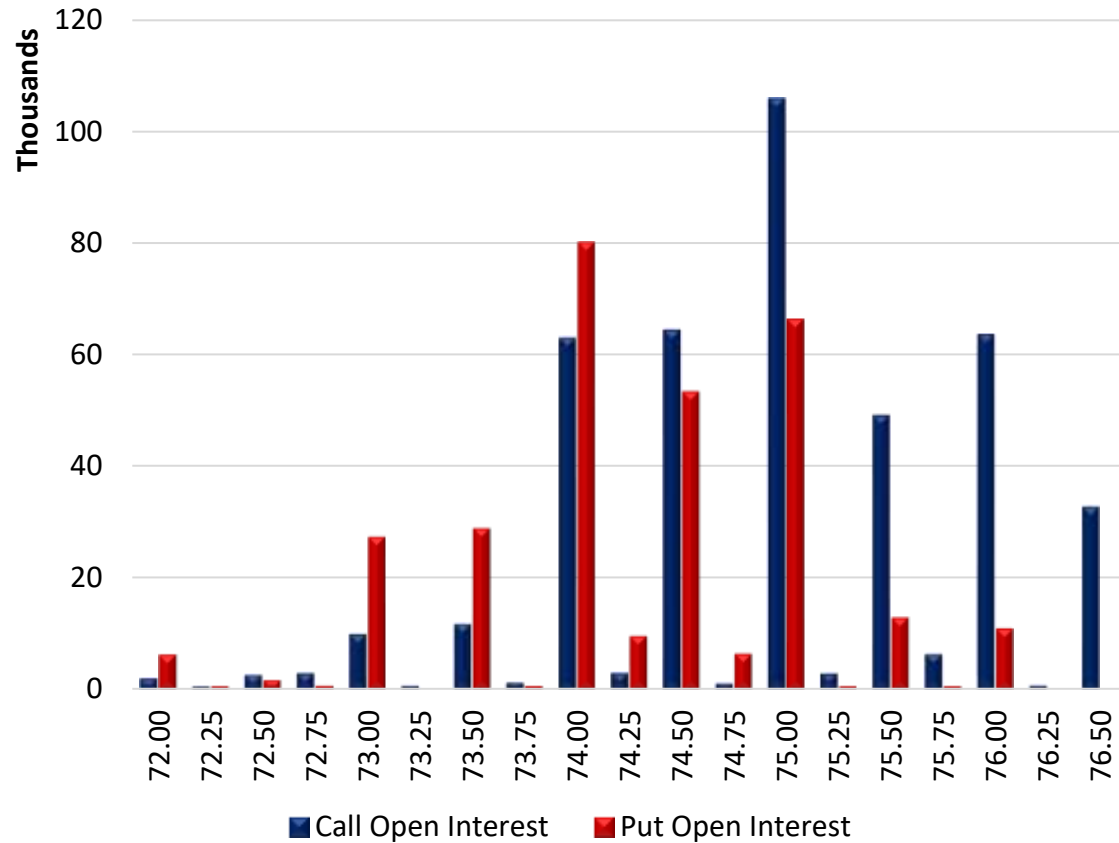
Currency	Expiry	Open	High	Low	Close	Prev. Close	Chg.	% Chg.	OI	% OI	Volume	% Volume
USDINR	27-May-21	75.2825	75.2825	75.0125	75.0775	75.3500	-0.2725	-0.36%	1997751	12.70%	733586	-19.86%
EURINR	27-May-21	90.8500	91.0950	90.7350	90.7550	90.8200	-0.0650	-0.07%	86995	20.17%	47660	-8.28%
GBPINR	27-May-21	104.6175	104.6200	104.2200	104.2825	104.5600	-0.2775	-0.27%	138799	17.27%	84269	18.13%
JPYINR	27-May-21	69.7500	69.8100	69.5650	69.6100	69.8100	-0.2000	-0.29%	12087	22.82%	11998	24.22%
EURUSD	27-May-21	1.2101	1.2117	1.2090	1.2095	1.2100	-0.0005	-0.04%	414	935.00%	391	1761.90%
GBPUSD	27-May-21	1.3897	1.3920	1.3888	1.3890	1.3900	-0.0010	-0.07%	97	51.56%	156	168.97%
USDJPY	27-May-21	107.95	107.95	107.62	107.82	107.88	-0.06	-0.06%	12	33.33%	6	20.00%

## Technical Levels

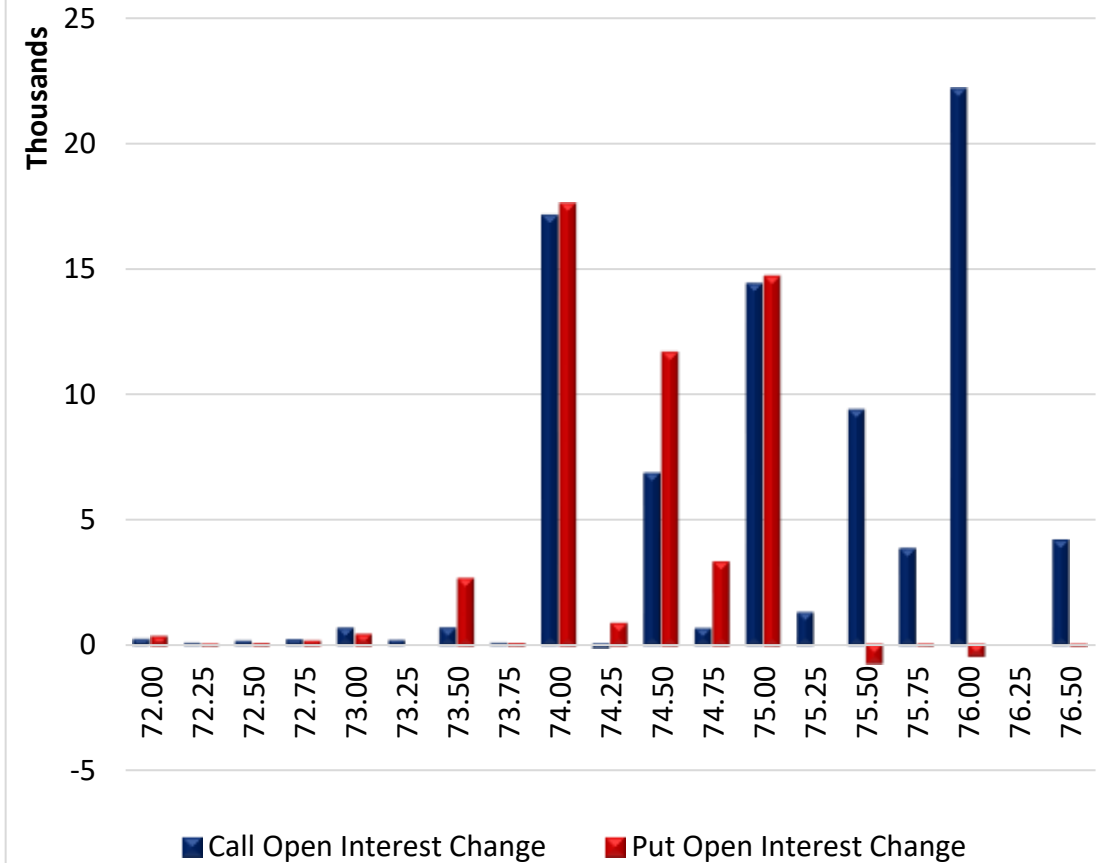
Currency	Expiry	Last	Pivot	Resi.2	Resi.1	Supt.1	Supt.2
USDINR	27-May-21	75.0775	75.1242	75.3942	75.2358	74.9658	74.8542
EURINR	27-May-21	90.7550	90.8617	91.2217	90.9883	90.6283	90.5017
GBPINR	27-May-21	104.2825	104.3742	104.7742	104.5283	104.1283	103.9742
JPYINR	27-May-21	69.6100	69.6617	69.9067	69.7583	69.5133	69.4167
EURUSD	27-May-21	1.2095	1.2101	1.2128	1.2111	1.2084	1.2074
GBPUSD	27-May-21	1.3890	1.3899	1.3931	1.3911	1.3879	1.3867
USDJPY	27-May-21	107.82	107.80	108.13	107.97	107.64	107.47

## USDINR May Month Option Distribution

### Option Distributions



### Open Interest Change



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