

# HDFC securities Retail Research Currency Daily

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## Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	72.9688	73.0275	-0.0587	-0.08%
DXY Index*	91.0040	91.1130	-0.1090	-0.12%
EURUSD*	1.2047	1.2035	0.0012	0.10%
GBPUSD*	1.3679	1.3674	0.0005	0.04%
USDJPY*	104.95	105.00	-0.05	-0.05%
USDINR 1M NDF*	73.17	73.26	-0.0900	-0.12%

## Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14647.9	14281.2	366.7	2.57%
Sensex	49797.7	48600.6	1197.1	2.46%
Hang-Seng	29068.0	29248.7	-180.7	-0.62%
Nikkei	28537.3	28362.2	175.2	0.62%
Shanghai	3521.4	3533.7	-12.3	-0.35%
S&P Index	3826.3	3773.9	52.4	1.39%
Dow Jones	30687.5	30211.9	475.6	1.57%
Nasdaq	13612.8	13403.4	209.4	1.56%
FTSE	6516.7	6466.4	50.2	0.78%
CAC	5563.1	5461.7	101.4	1.86%
DAX	13835.2	13622.0	213.1	1.56%

\* Prev. Close 5pm IST

## Rupee: Higher Opening on Foreign Inflows

- » Indian rupee expected to open slightly higher following stronger peer currencies and massive buying domestic equities. As per the provisional data, overseas investor bought Rs.6182cr equities on Tuesday. Risk sentiments lifted as U.S. moves on stimulus and continued good news on the vaccine.
- » Indian rupee closed at 72.97 a dollar with gain of 6 paise or 0.08%. Technically, spot USDINR is in down trend and could head towards 72.75, the low of September 1 while resist at 72.42, the 200 DMA.
- » Asian stocks looked set to extend a global rally amid as stocks roared higher again on Tuesday. S&P 500 extended its two-day gains to 3% to approach its high-water mark while crumbling of the retail trading frenzy has been seen. US Treasuries remained under pressure with the 10- and 30-year yields approaching fresh 10- and 12-month highs at 1.1% and 1.87%, respectively. Elsewhere, WTI crude jumped above \$55 a barrel for its best finish since January 2020, gold slipped to \$1,837 an ounce, and the VIX fell below 26 to bring its two-day pullback to 23%.
- » Dollar index made a fresh year to date high on Tuesday, on back short covering and bullish technical signals while Japanese Yen recorded its worst losing streak against the greenback in more than four months.
- » The Dollar Spot Index rose for a third day to as much as ~91.29, the highest in two months. Last DXY Index quoted at 91 slightly down from overnight high. Technically, one should eye on Sept. 2020 low and the May 2016 low at 91.75-91.92 as the next range of resistance prior to inverted head and shoulders target at 92.6. EURUSD having broken its 55d MA and trading at 1.2047. Pound continues to hover around 1.3680 at the time of writing, up 0.04% in Asian trading. It is likely to continue trading with broader risk sentiment, aided in part by local vaccination progress.

## USDINR February Hourly Chart



## Technical Observations:

- »» USDINR February futures on daily chart formed “Doji Candlestick” pattern suggesting indecisiveness.
- »» On Hourly chart, the pair is having resistance of trend line at 73.27 and support at 73.10.
- »» Broadly, the pair has been in consolidation within the range of 72.90 to 73.40.
- »» Momentum oscillators and indicator on short term scale turned weak suggesting consolidation in the pair before breakout.
- »» We remain neutral to bearish until USDINR February futures close above 73.40 level while on downside one should look on 73.10 and 72.90 level.

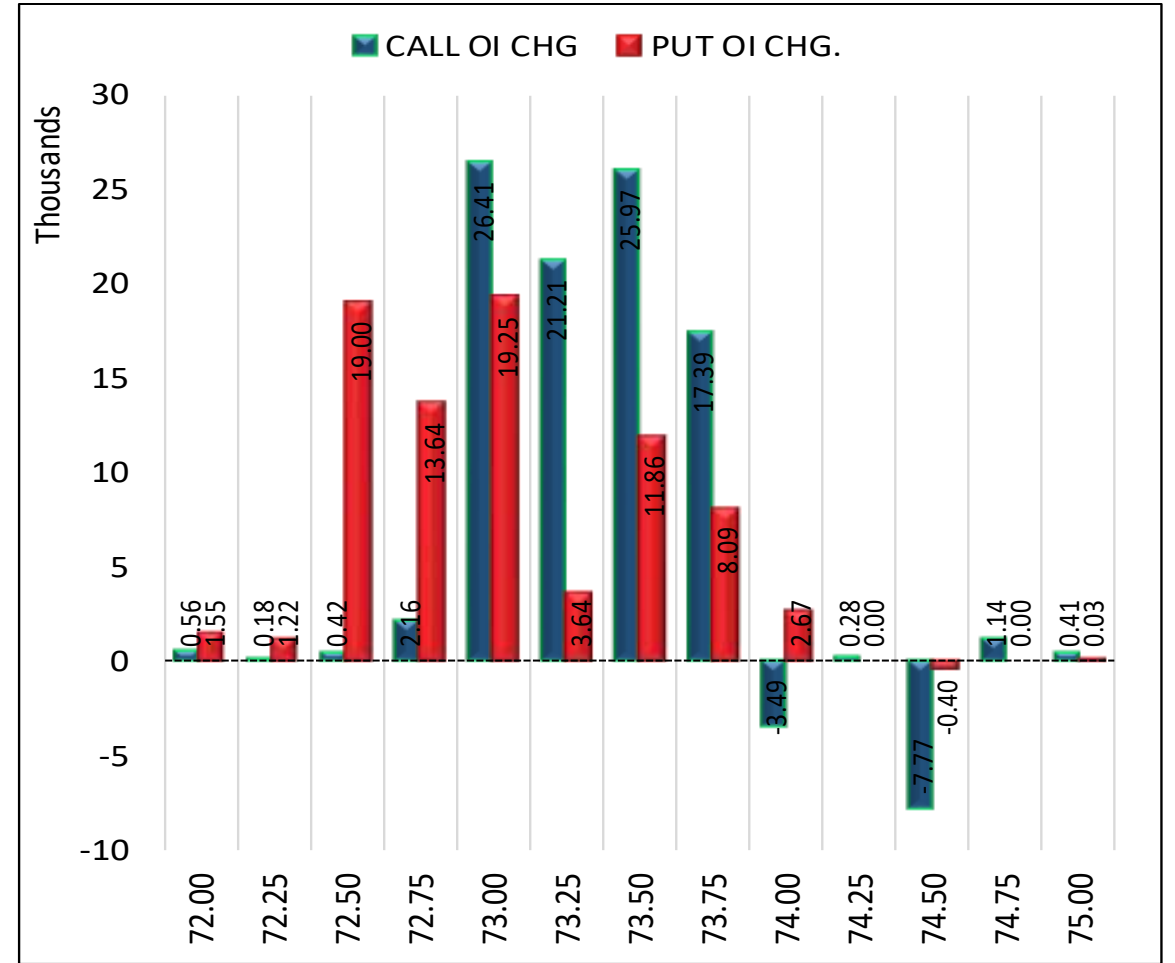
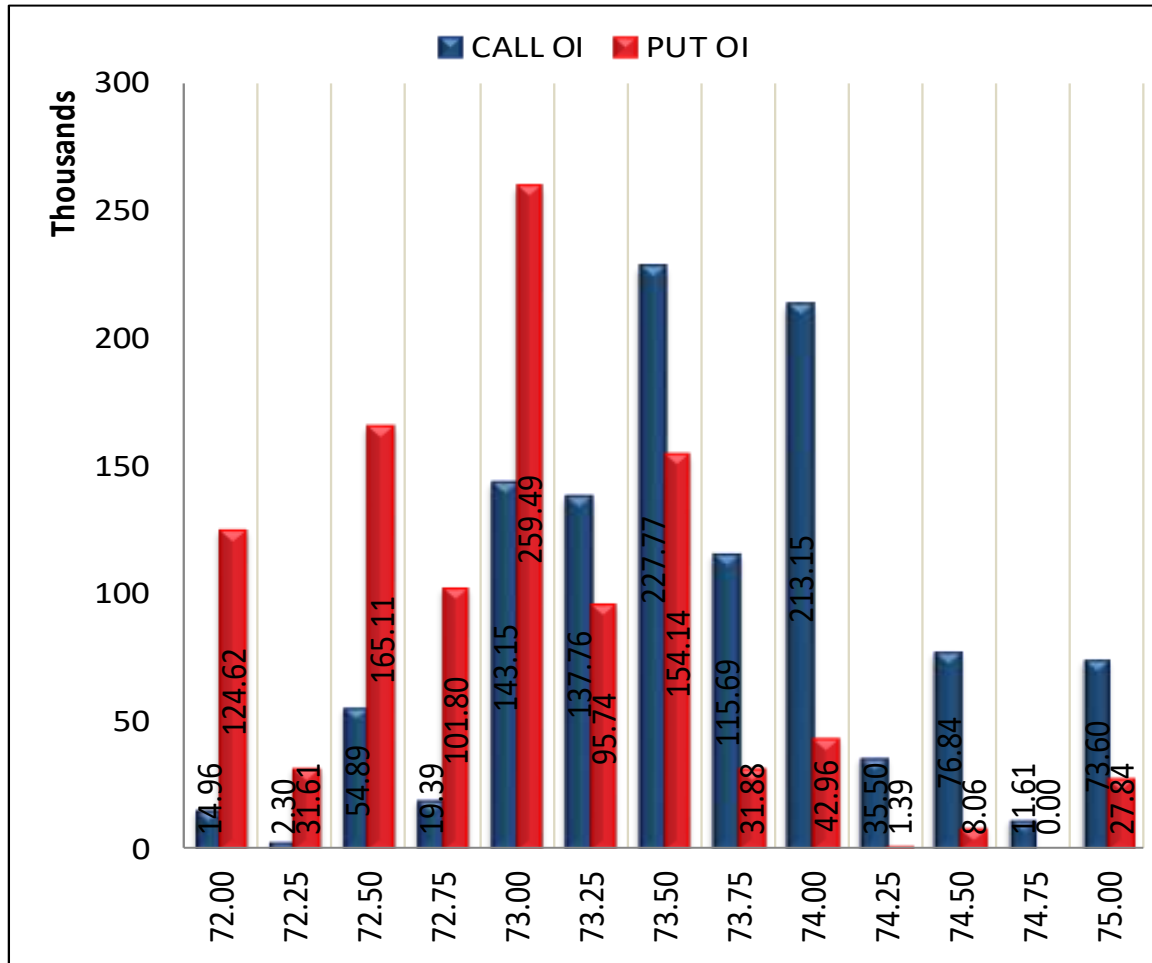
## Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Feb21	73.2600	73.2950	73.1075	73.2150	-0.15	2981662	-129167	1900226	-829609
NSE EURINR Future Feb21	88.5725	88.5725	88.1450	88.1675	-0.44	130096	6960	143391	2361
NSE GBPINR Future Feb21	100.3250	100.3350	100.0100	100.0850	-0.41	180535	-58082	430409	-23499
NSE JPYINR Future Feb21	69.8575	69.8900	69.6900	69.7750	-0.19	33934	3006	40067	-7510
NSE EURUSD Fut Feb21	1.2090	1.2093	1.2006	1.2041	-0.34	2648	114	4179	1974
NSE GBPUSD Fut Feb21	1.3696	1.3701	1.3669	1.3673	-0.23	2746	362	8314	3731
NSE USDJPY Fut Feb21	104.86	104.99	104.81	104.99	0.10	112	18	50	-6

## 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 Feb21	73.22	73.21	72.73	73.02	73.12	73.30	73.39	73.49	73.24	73.41
NSE EURINR Future Feb21	88.17	88.30	87.29	87.87	88.02	88.45	88.72	88.87	88.60	89.26
NSE GBPINR Future Feb21	100.09	100.14	99.36	99.82	99.95	100.28	100.47	100.60	100.27	100.12
NSE JPYINR Future Feb21	69.78	69.79	69.29	69.59	69.68	69.88	69.99	70.08	70.08	70.65
NSE EURUSD Fut Feb21	1.2041	1.2047	1.1832	1.1960	1.2000	1.2087	1.2134	1.2174	1.2098	1.2164
NSE GBPUSD Fut Feb21	1.3673	1.3681	1.3605	1.3649	1.3661	1.3693	1.3713	1.3725	1.36916	1.36441
NSE USDJPY Fut Feb21	104.99	104.93	104.45	104.75	104.87	105.05	105.11	105.23	104.51	103.88

## USDINR Feb. Month Option Distribution



## Economic Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
		3 February	4 February	5 February
		<b>Japan, China, India, EU, UK,</b> <b>US :</b> Service and composite PMI <b>EU:</b> CPI <b>US:</b> ADP Emp. Change	<b>EU:</b> Retail Sales <b>UK: BoE Policy</b> <b>US:</b> Initial & continues Jobless claims, Durable Goods & Factory Order	<b>India : RBI Monetary Policy</b> <b>US:</b> Unemployment, Change in Non-farm payroll, Trade Balance

# HDFC securities Retail Research: Currency Daily

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