

# HDFC securities Retail Research Currency Daily

4 February 2021

**Analyst:**  
Dilip Parmar  
dilip.parmar@hdfcsec.com



## Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	72.9613	72.9688	-0.0075	-0.01%
DXY Index*	91.1180	91.1850	-0.0670	-0.07%
EURUSD*	1.2038	1.2023	0.0015	0.12%
GBPUSD*	1.3647	1.3640	0.0007	0.05%
USDJPY*	105.04	105.05	-0.01	-0.01%
USDINR 1M NDF*	73.13	73.19	-0.0600	-0.08%

## Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14790.0	14647.9	142.1	0.97%
Sensex	50255.8	49797.7	458.0	0.92%
Hang-Seng	29244.6	29307.5	-62.9	-0.21%
Nikkei	28508.9	28646.5	-137.6	-0.48%
Shanghai	3509.8	3517.3	-7.5	-0.21%
S&P Index	3830.2	3826.3	3.9	0.10%
Dow Jones	30723.6	30687.5	36.1	0.12%
Nasdaq	13610.5	13612.8	-2.2	-0.02%
FTSE	6507.8	6516.7	-8.8	-0.14%
CAC	5563.1	5563.1	-0.1	0.00%
DAX	13933.6	13835.2	98.5	0.71%

\* Prev. Close 5pm IST

## Rupee Expected to Open Higher

- » Indian rupee expected to open slightly higher following overnight weakness in dollar against major trading currencies and stronger foreign fund inflows. The non-deliverable forwards suggest USDINR could open 6 paise higher from previous close.
- » On Wednesday, rupee ended on flat note as at one end stronger dollar pushed lower while dollar inflows pulled higher. Spot USDINR closed at 72.96 with a paise gains.
- » Technically, spot USDINR is in downtrend following lower peak and lower trough on daily and weekly chart. It has support at 72.75, the September low, and resistance at 73.40.
- » Asian stocks looked set to retreat Thursday after a decline in technology and retail shares weighed on U.S. benchmarks as earnings continued to roll in. On Humpday, S&P 500 pared opening gains to close barely in the green following its biggest two-day rally in almost three months, while the Nasdaq 100 finished lower. Elsewhere, Oil climbed as OPEC+ said it will keep pushing to quickly clear the surplus left behind by the pandemic. The dollar held gains amid better-than-expected ADP employment data.
- » President Joe Biden told House Democrats on Wednesday that backing anything less than \$1,400 stimulus checks would mean starting his presidency with a broken promise.
- » The pound slipped ahead of Thursday's Bank of England meeting; the yield on 10-year gilts rose to the highest since November. The statement from Boris Johnson threatening to suspend parts of the Brexit deal relating to Northern Ireland, as a dispute escalated after the European Union's threat to impose controls on the border in a spat over vaccine supply, would weigh on pound.
- » Italian bonds and stocks surged after Mario Draghi, the former ECB president, was tapped to be the country's next prime minister.

## USDINR February Hourly Chart



## Technical Observations:

- » USDINR February futures resisted at 20 hours EMA.
- » The pair has been trading in down trend by forming lower peaks and lower troughs on all major time scale.
- » Momentum oscillator, relative strength index of 14 period on hourly chart heading southward suggesting weaker momentum.
- » The pair is having support at 73.05 and resistance at 73.22 followed by 73.42.
- » We remain sideway to bearish in USDINR February futures and expect 73.05 in coming days.

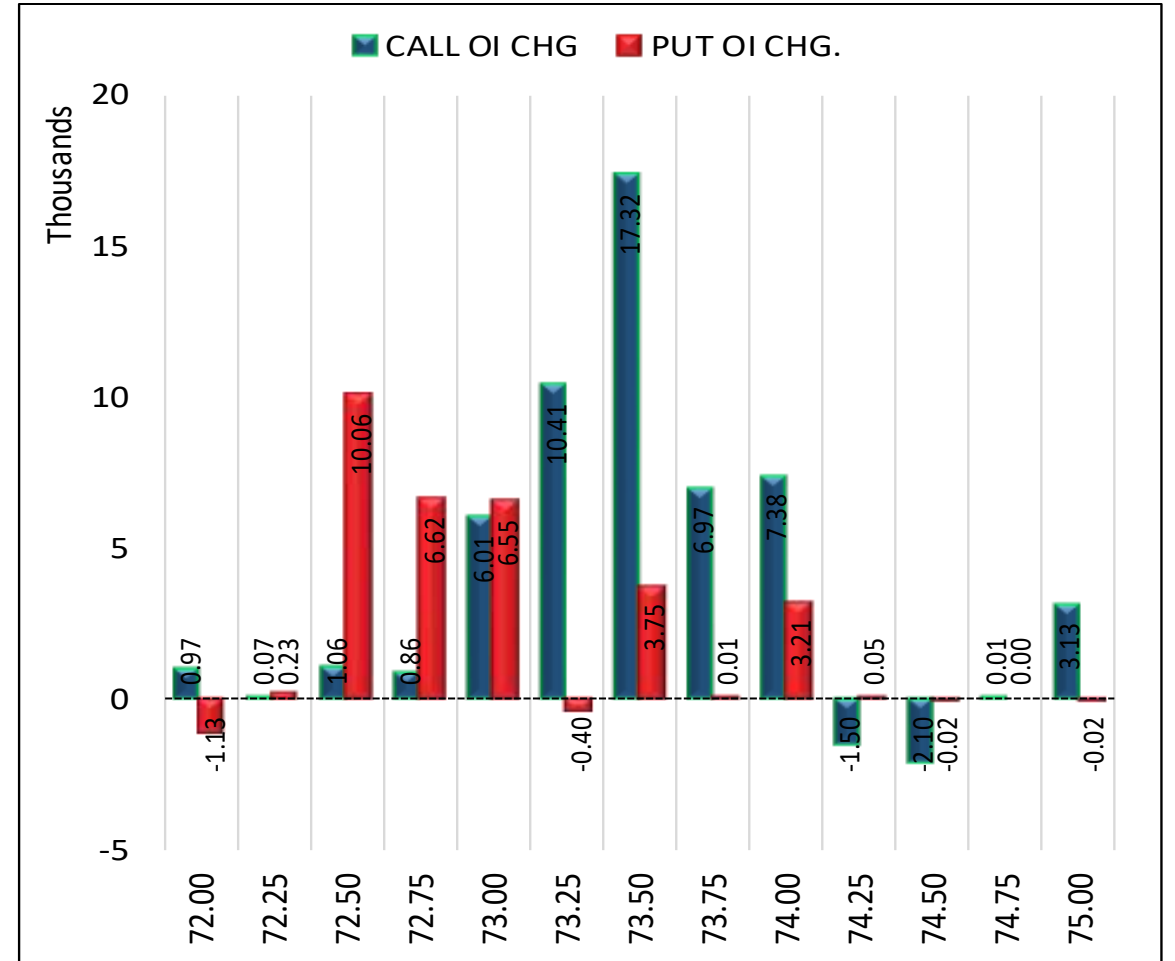
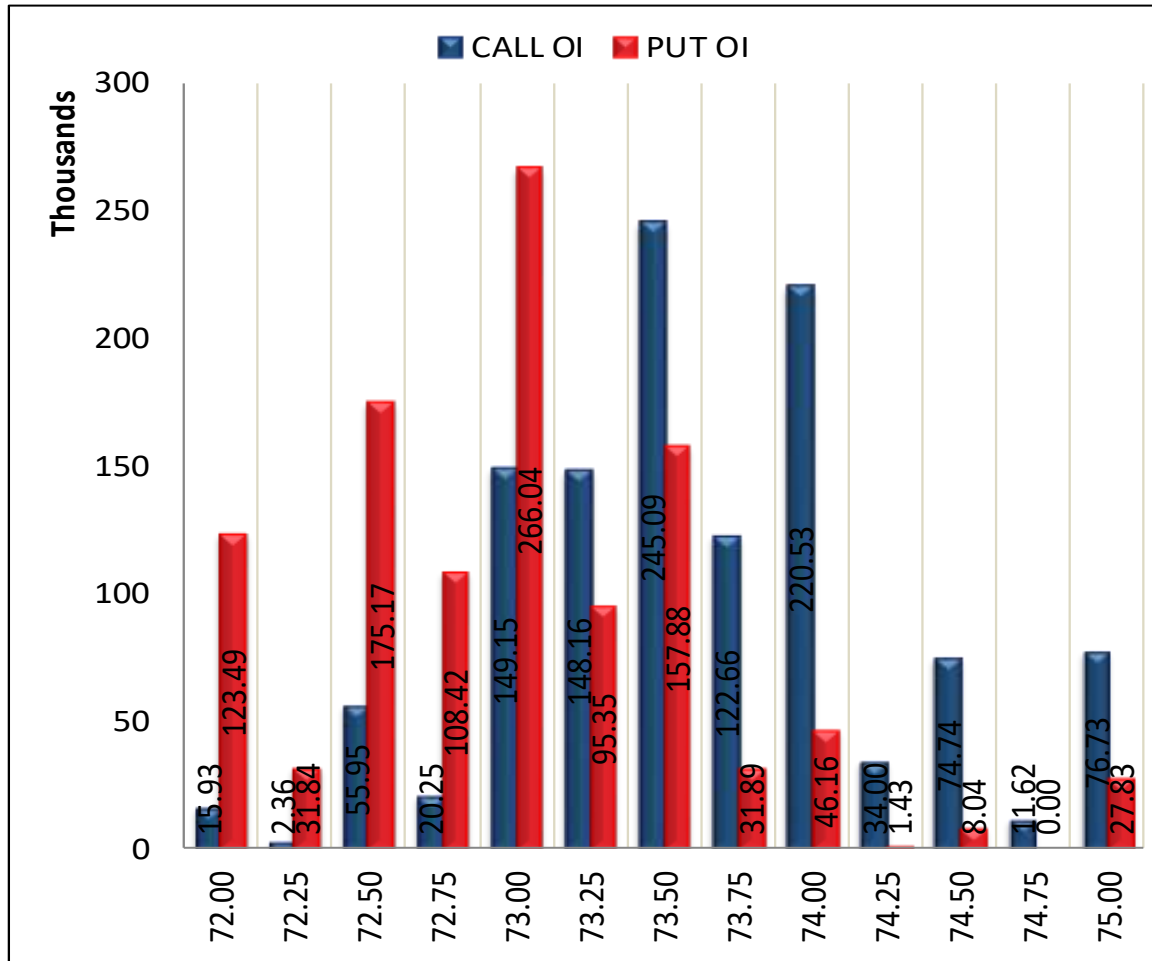
## Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Feb21	73.1825	73.1950	73.0950	73.1300	-0.12	2875085	-106577	1311517	-588709
NSE EURINR Future Feb21	88.4600	88.4675	87.9250	87.9975	-0.19	135479	5383	102523	-40868
NSE GBPINR Future Feb21	100.0025	100.0025	99.7625	99.7950	-0.29	176290	-4245	292461	-137948
NSE JPYINR Future Feb21	69.6525	69.7475	69.6250	69.6850	-0.13	36338	2404	32920	-7147
NSE EURUSD Fut Feb21	1.2048	1.2049	1.2015	1.2030	-0.09	3149	501	1603	-2576
NSE GBPUSD Fut Feb21	1.3665	1.3676	1.3633	1.3643	-0.22	4985	2239	6460	-1854
NSE USDJPY Fut Feb21	104.98	105.03	104.96	105.01	0.02	114	2	10	-40

## 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	73.13	73.14	72.90	73.04	73.09	73.19	73.24	73.29	73.22	73.39
NSE EURINR Future Feb21	88.00	88.13	86.84	87.59	87.79	88.34	88.67	88.88	88.44	89.15
NSE GBPINR Future Feb21	99.80	99.85	99.28	99.61	99.70	99.94	100.09	100.18	100.13	100.11
NSE JPYINR Future Feb21	69.69	69.69	69.38	69.56	69.62	69.75	69.81	69.87	69.91	70.56
NSE EURUSD Fut Feb21	1.2030	1.2031	1.1947	1.1997	1.2014	1.2048	1.2065	1.2082	1.2079	1.2151
NSE GBPUSD Fut Feb21	1.3643	1.3651	1.3547	1.3608	1.3625	1.3668	1.3694	1.3711	1.36746	1.364685
NSE USDJPY Fut Feb21	105.01	105.00	104.82	104.93	104.97	105.04	105.07	105.11	104.76	104.00

## USDINR Feb. Month Option Distribution





# HDFC securities Retail Research: Currency Daily

## Disclosure:

I **Dilip Parmar, MBA**, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. HSL has no material adverse disciplinary history as on the date of publication of this report. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. **does not have** any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate **does not have** any material conflict of interest.

## Any holding in stock – No

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

## Disclaimer:

This report has been prepared by HDFC Securities Ltd and is meant for sole use by the recipient and not for circulation. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. This document is for information purposes only. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk.

It should not be considered to be taken as an offer to sell or a solicitation to buy any security. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

**HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066**

**Compliance Officer: Binkle R. Oza Email: [complianceofficer@hdfcsec.com](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600**

**HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193**

Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

