

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	72.9775	72.8887	0.0888	0.12%
DXY Index*	90.1650	89.9840	0.1810	0.20%
EURUSD*	1.2171	1.2192	-0.0021	-0.17%
GBPUSD*	1.4114	1.4171	-0.0057	-0.40%
USDJPY*	109.55	109.41	0.14	0.13%
USDINR 1M NDF*	73.26	73.20	0.0600	0.08%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15635.4	15740.1	-104.8	-0.67%
Sensex	51941.6	52275.6	-333.9	-0.64%
Hang-Seng	28742.6	28781.4	-38.8	-0.13%
Nikkei	28989.4	28860.8	128.5	0.45%
Shanghai	3591.4	3580.1	11.3	0.32%
S&P Index	4219.6	4227.3	-7.7	-0.18%
Dow Jones	34447.1	34599.8	-152.7	-0.44%
Nasdaq	13911.8	13924.9	-13.2	-0.09%
FTSE	7081.0	7095.1	-14.1	-0.20%
CAC	6563.5	6551.0	12.4	0.19%
DAX	15581.1	15640.6	-59.5	-0.38%

* Prev. Close 5pm IST

Rupee likely to open slightly lower but expected to rebound along equities

- » Asian currencies look for a steady to positive start after Chinese and U.S. commerce ministers agreed to push forward trade and investment links in their first call since the start of the Biden administration. USDINR is expected to open slightly higher following overnight strength in dollar index and lackluster risk assets. However, momentum could turn weak with recovery in risk assets. Technically, spot USDINR is having resistance at 73.30 and support in the area of 72.50 to 72.30.
- » Rupee slides for second day in row amid risk-off sentiments and stronger dollar demand amid higher crude oil prices. Spot USDINR ended at 72.98 with gains of 9 paise or 0.12% on Wednesday.
- » On Wednesday, US Treasuries rallied and US equities edged lower ahead of an US inflation report that may provide clues on the direction of monetary policy. The 10-year Treasury yield fell below 1.5% for the first time in a month, helped by a strong auction. The rate on the U.S. long bond dropped to a level unseen since March.
- » The trio of central bank meetings will kick off with today's ECB meeting and finish with BOJ next week. Forex market traders await to see whether U.S. inflation data comes in strong or mild for direction as most of the currency traded in narrow range with low vol and volume. The combination of all those meetings and a well telegraphed U.S. CPI report will produce a benign outcome for risk assets and that favors the upside for euro and downside for dollar.
- » President Biden's multi-trillion infrastructure plan is in trouble, which has the potential to bring a sweeping repricing in stocks, bonds and commodities, as Republicans moved to block the plan. The U.S. may still come up with a replacement bill, but it'll probably fall short of the \$2.3t Biden first planned.

USDINR June Daily Chart



INT1 Curncy (USD/INR '1st' Generic) Graph 1102 Daily 12MAR2021-10JUN2021 Copyright© 2021 Bloomberg Finance L.P. 10-Jun-2021 07:02:30

Technical Observations:

- »» USDINR June futures formed another doji candlestick pattern below 13 days exponential moving averages indicating consolidations.
- »» Momentum oscillators, relative strength index has been placed below 50 and flattening suggesting slower momentum.
- »» Short term bias for USDINR June futures remains neutral.
- »» USDINR June futures has support at 72.70 and breaking of the same will open for 72.40 while on higher side 73.40 remains the resistance.

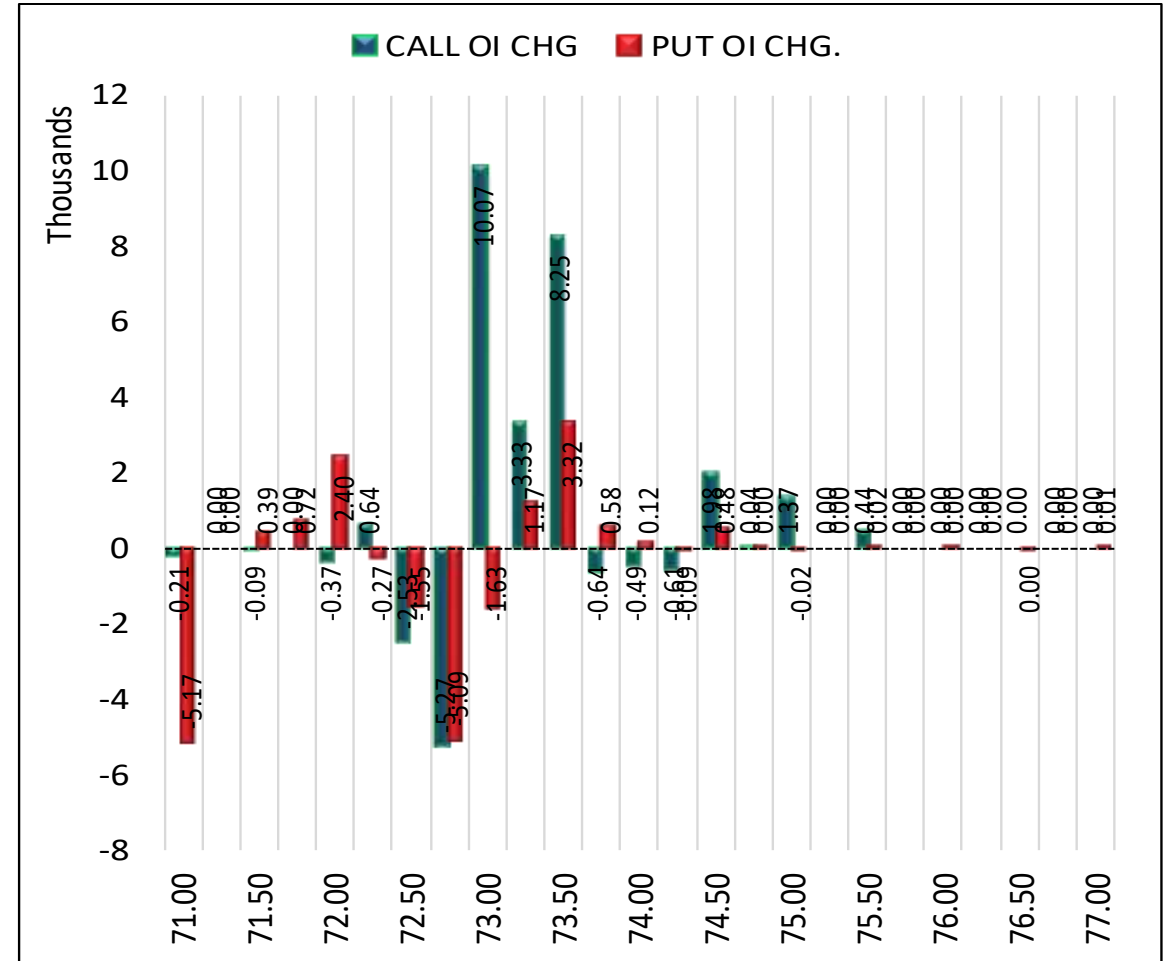
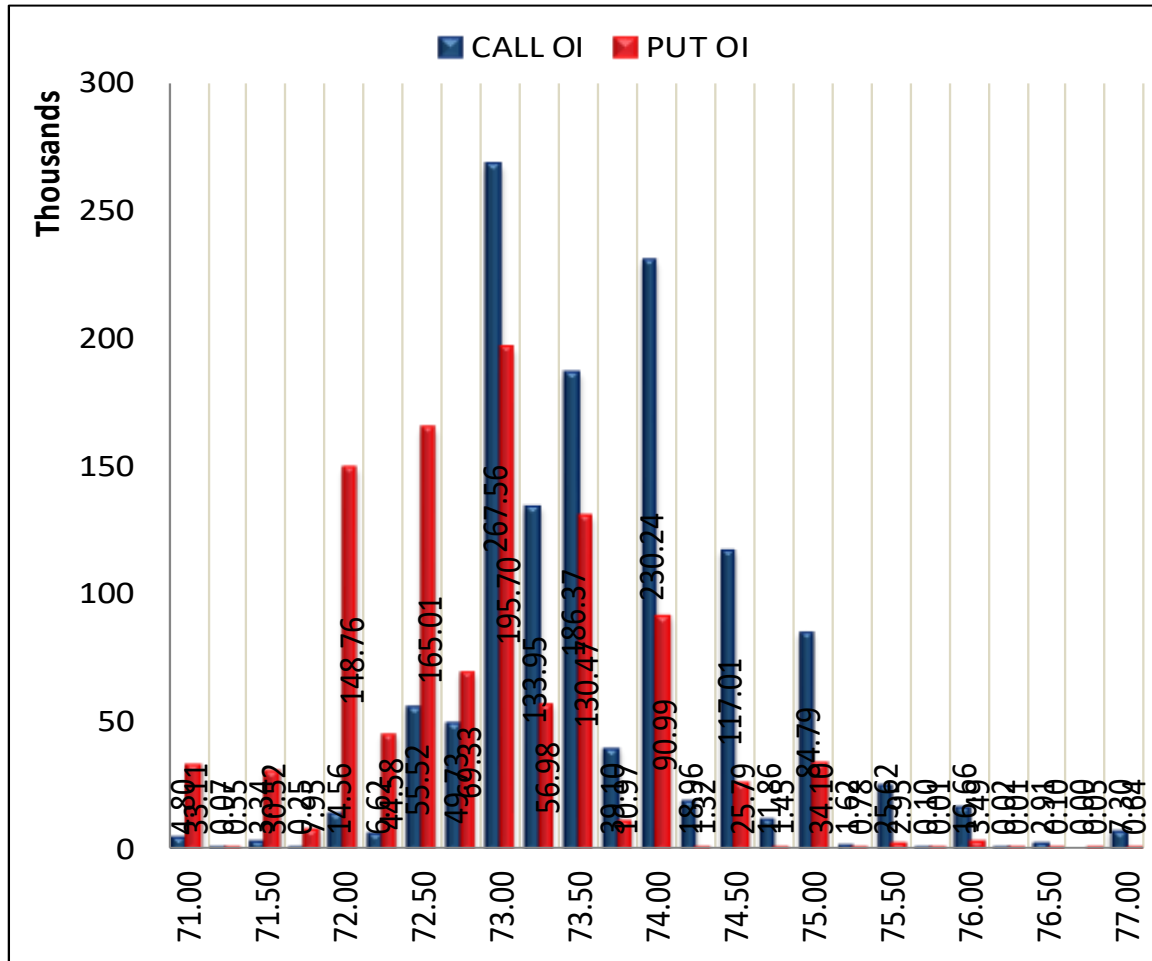
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Jun21	73.0425	73.1750	73.0200	73.0975	0.10	2395319	3940	1500267	11766
NSE EURINR Future Jun21	88.9975	89.1550	88.9250	89.1250	0.19	104740	3572	100396	-37808
NSE GBPINR Future Jun21	103.4025	103.7000	103.3600	103.5725	0.27	141171	13136	210677	14460
NSE JPYINR Future Jun21	66.7800	66.8875	66.7100	66.8175	0.12	30775	-1061	21605	-5043
NSE EURUSD Fut Jun21	1.2177	1.2193	1.2173	1.2191	0.12	4091	558	647	-339
NSE GBPUSD Fut Jun21	1.4154	1.4183	1.4148	1.4169	0.18	3218	132	391	-50
NSE USDJPY Fut Jun21	109.50	109.51	109.38	109.41	0.05	112	0	60	37

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 Jun21	73.10	73.10	72.71	72.94	73.02	73.18	73.25	73.33	73.08	73.33
NSE EURINR Future Jun21	89.13	89.07	88.47	88.84	88.98	89.21	89.30	89.44	88.93	89.36
NSE GBPINR Future Jun21	103.57	103.54	102.68	103.20	103.39	103.73	103.88	104.07	103.43	103.73
NSE JPYINR Future Jun21	66.82	66.81	66.36	66.63	66.72	66.90	66.98	67.08	66.67	67.11
NSE EURUSD Fut Jun21	1.2191	1.2186	1.2133	1.2166	1.2178	1.2198	1.2206	1.2218	1.2166	1.2183
NSE GBPUSD Fut Jun21	1.4169	1.4167	1.4078	1.4132	1.4150	1.4185	1.4202	1.4220	1.4151	1.414585
NSE USDJPY Fut Jun21	109.41	109.43	109.12	109.30	109.36	109.49	109.56	109.62	109.62	109.28

USDINR June Month Option Distribution



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