

# HDFC securities Retail Research Currency Daily

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## Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.2737	73.0762	0.1975	0.27%
DXY Index*	90.4930	90.4810	0.0120	0.01%
EURUSD*	1.2125	1.2119	0.0006	0.05%
GBPUSD*	1.4108	1.4103	0.0005	0.04%
USDJPY*	110.11	109.68	0.43	0.39%
USDINR 1M NDF*	73.50	73.49	0.0100	0.01%

## Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15811.9	15799.4	12.5	0.08%
Sensex	52551.5	52474.8	76.8	0.15%
Hang-Seng	28461.8	28842.1	-380.3	-1.32%
Nikkei	29354.1	29161.8	192.3	0.66%
Shanghai	3555.8	3589.7	-33.9	-0.94%
S&P Index	4255.2	4247.4	7.7	0.18%
Dow Jones	34393.8	34479.6	-85.8	-0.25%
Nasdaq	14174.1	14069.4	104.7	0.74%
FTSE	7146.7	7134.1	12.6	0.18%
CAC	6616.4	6600.7	15.7	0.24%
DAX	15673.6	15693.3	-19.6	-0.13%

\* Prev. Close 5pm IST

## Dollar Steadies Ahead of Fed Meeting

- » Rupee expected to open flat in line with other Asian currencies while weakness in domestic equities and higher inflation number could drag local currency lower in second half of the trade. On Monday, rupee drops following stronger dollar and higher crude oil prices. Rupee marked fifth day of loss as greenback advances earmarked the short covering ahead of this week's FOMC meeting. Higher than expected inflation number and foreign fund selling also weighed on rupee on Tuesday.
- » Spot USDINR gained 20 paise to 73.27 level. Technically, it has resistance at 73.30 and sustainable trade above it will open for 73.50 and 73.80 levels while it could hold the support of 72.77.
- » RBI's monthly report indicates it has reduced its intensity of intervention in forward segment as outstanding forward position came down marginally to \$72.75 billion in March and the way premium fell in April and May figure could be much lower than March.
- » India's inflation rate surged above the central bank's target in May with Consumer price inflation jumped to 6.3% year on year from 4.2% in April. Core inflation hit 6.2%, up from 5.2% in April. This probably reflects companies passing on higher costs to consumers from rising fuel prices and virus-related expenses. On a month-on-month basis, core prices increased 1.4% in May, up from 0.5% in April.
- » We have trade figures for May on later today which might see rise in import bills due to higher crude oil and other commodity prices.
- » Asia stocks looked set for a steady start after their U.S. peers closed at a record and a bond rally stalled ahead of a key Federal Reserve meeting. The 10-year Treasury yield rose to 1.49% after hitting three-month lows on Thursday. The dollar edged higher. Elsewhere, Oil traded above \$73 a barrel as investors weighed the outlook for rising demand.

USDINR June Daily Chart



Technical Observations:

- »» USDINR June futures witnessed short covering rally in last couple of day with fall in open interest and rise in price.
- »» The 13 DEMA crossed the 21 DEMA upward indicating short term strength in the pair. Now, it has resistance at 50 SDMA at 73.76.
- »» Momentum oscillators and indicators also turning upward suggesting recovery in the pair.
- »» USDINR June futures has support at 72.90 and resistance at 73.75. We remain neutral to bullish until it holds the level of 72.90 while any level above 73.50 pulls the pair towards 73.75 level

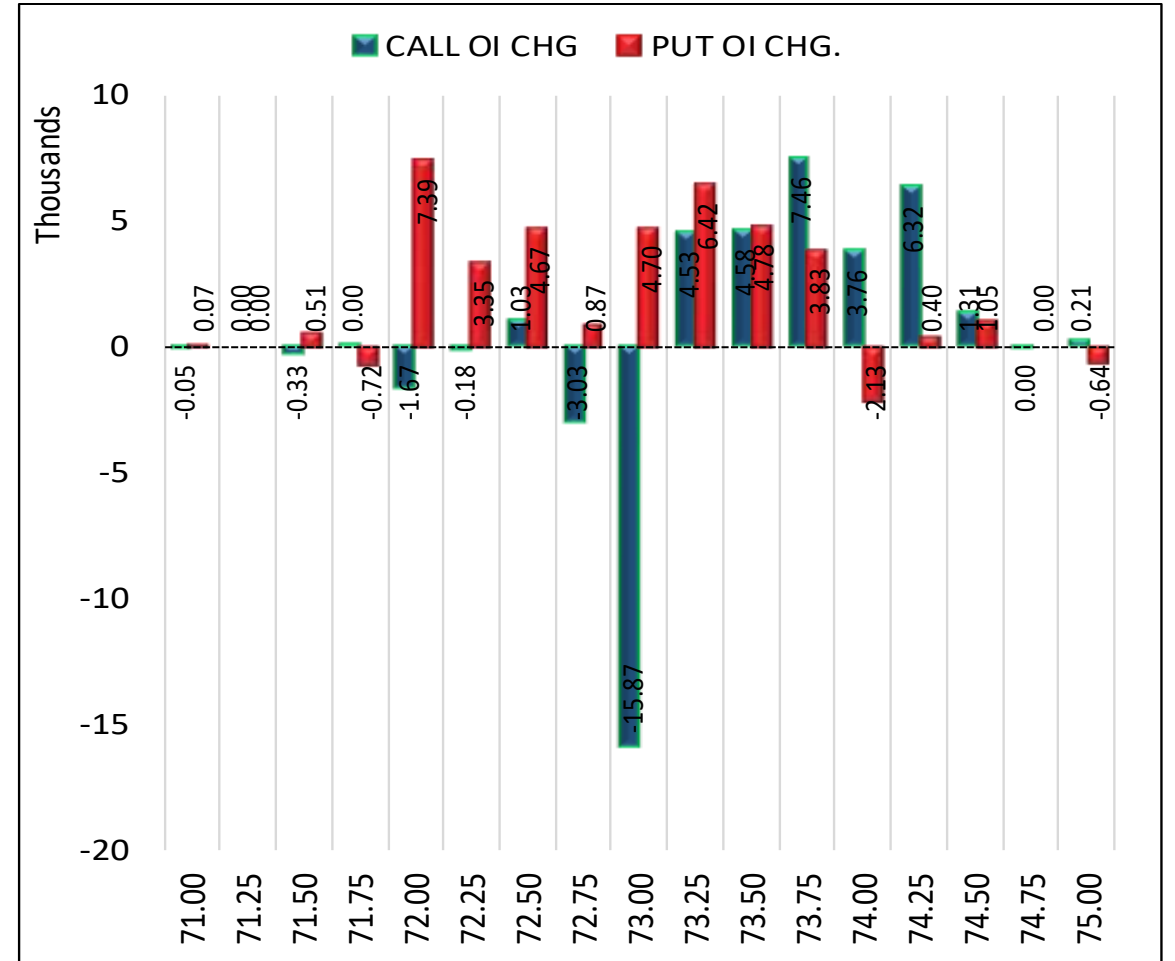
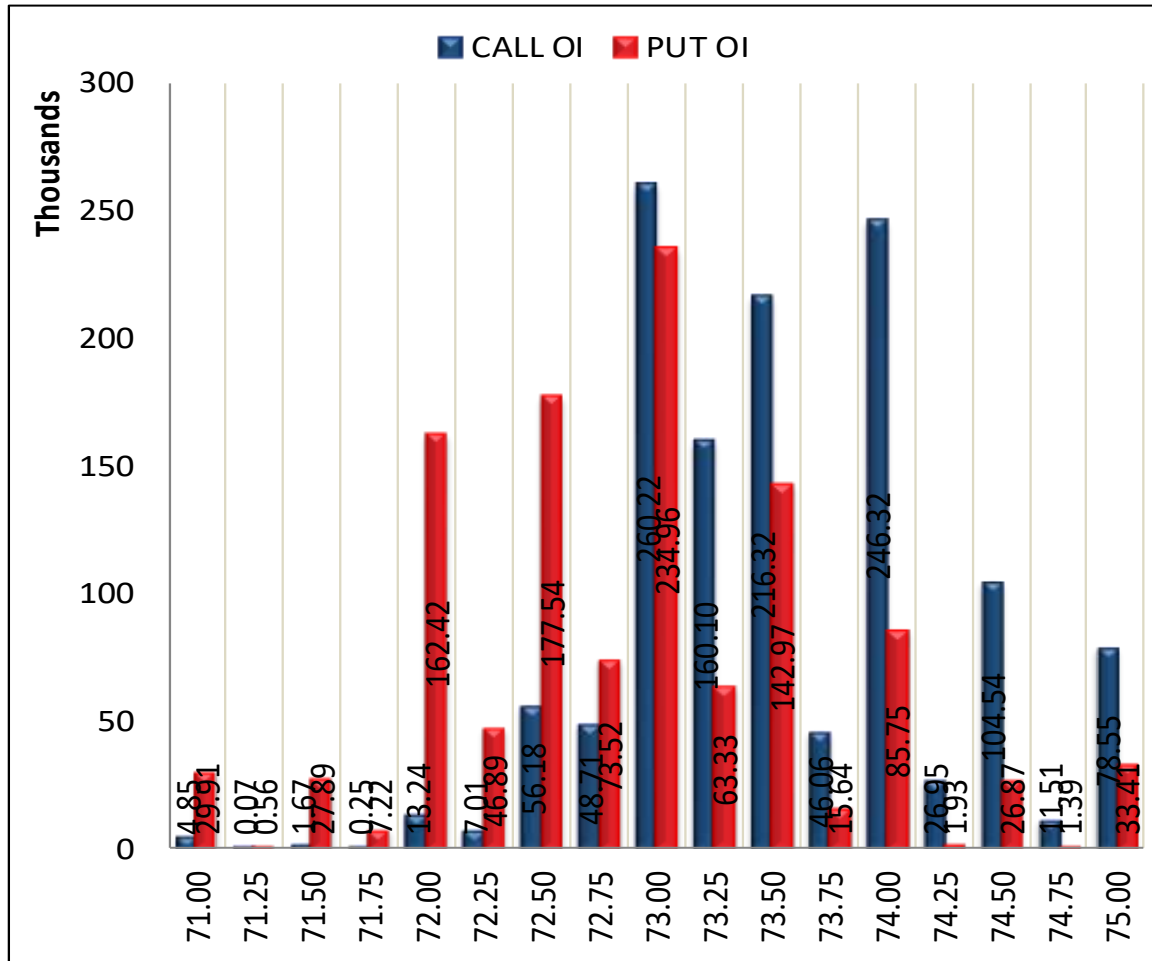
## Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Jun21	73.1500	73.4500	73.1500	73.3550	0.22	2356935	-36373	1469030	61884
NSE EURINR Future Jun21	88.7750	88.9450	88.6525	88.9100	0.00	97025	-4224	147891	3478
NSE GBPINR Future Jun21	103.4950	103.5575	103.2400	103.4375	-0.17	119428	-25616	245246	-45857
NSE JPYINR Future Jun21	66.8025	66.9775	66.7300	66.9000	0.06	27909	-98	29713	5494
NSE EURUSD Fut Jun21	1.2106	1.2121	1.2098	1.2119	-0.24	2742	106	989	-661
NSE GBPUSD Fut Jun21	1.4132	1.4132	1.4075	1.4106	-0.35	4496	1552	6328	4206
NSE USDJPY Fut Jun21	109.74	109.74	109.61	109.68	0.11	109	-1	46	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 Jun21	73.36	73.32	72.55	73.02	73.19	73.49	73.62	73.79	73.17	73.23
NSE EURINR Future Jun21	88.91	88.84	88.07	88.54	88.73	89.02	89.13	89.31	89.00	89.24
NSE GBPINR Future Jun21	103.44	103.41	102.61	103.09	103.27	103.58	103.73	103.90	103.42	103.60
NSE JPYINR Future Jun21	66.90	66.87	66.24	66.62	66.76	67.01	67.12	67.26	66.83	66.96
NSE EURUSD Fut Jun21	1.2119	1.2113	1.2052	1.2090	1.2104	1.2127	1.2136	1.2150	1.2161	1.2184
NSE GBPUSD Fut Jun21	1.4106	1.4104	1.3961	1.4047	1.4077	1.4134	1.4161	1.4191	1.4134	1.41473
NSE USDJPY Fut Jun21	109.68	109.68	109.35	109.55	109.61	109.74	109.81	109.87	109.50	109.39

## USDINR June Month Option Distribution



# HDFC securities Retail Research: Currency Daily

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