

HDFC securities Retail Research Currency Daily

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Analyst:
Dilip Parmar
dilip.parmar@hdfcsec.com



Currency Movements

Currency	Last Price	Prev. Close	Chg.	% Chg.
USDINR	72.626	72.563	0.064	0.09%
DXY Index	92.761	92.849	-0.088	-0.09%
EURUSD	1.1783	1.1764	0.002	0.16%
GBPUSD	1.3756	1.3734	0.002	0.16%
USDJPY	109.24	109.19	0.050	0.05%

Global Equity Markets

Currency	Last Price	Prev. Close	Chg.	% Chg.
Nifty 50	14,325	14,549	-225	-1.54%
BSE Sensex 30	48,440	49,180	-740	-1.51%
Hang Seng	28,115	27,838	277	1.00%
Nikkei 225	29,080	28,712	368	1.28%
Shanghai Composite	3,390	3,375	14	0.42%
S&P 500	3,910	3,889	20	0.52%
Dow Jones	32,619	32,420	199	0.62%
NASDAQ Composite	12,978	12,962	16	0.12%
FTSE 100	6,675	6,713	-38	-0.57%
CAC 40	5,952	5,947	5	0.09%
DAX	14,621	14,610	11	0.08%

Rupee to end three day rout following higher equities

- » Indian rupee expected to rebound after falling for three consecutive days in row. Overnight weakness in dollar index and stronger yuan fixing could support the Asian currencies in today's trade. Today is the expiry of March derivative contracts which could be around 72.50.
- » On Thursday, spot USDINR gained 6 paise to 72.63, marking decline for third day following weakness in equities and increase in virus cases fuel caution ahead of Financial Year end. Technically, USDINR remains above year to date (YTD) low with double-bottom still developing. It has Resistance at 73.3421, 100-DMA and 73.7738, YTD high while expected to get support at 72.2688, YTD low and 72.0792, lower Bollinger band. We expect USDINR to trade in the range of 72.26 to 72.80 in coming days.
- » Asian currencies and stocks look set to climb following U.S. gains and weaker dollar index. Dollar index has been placed above key 200-day moving average resistance level at 92.63 and euro sank to the lowest since November amid vaccine rollout concerns. U.S. job data Thursday showed a bigger-than-forecast drop in weekly jobless claims supported the riskier assets to recover some early losses.
- » The weekly jobless claims bring on a bullish reversal in stocks, as the S&P 500 erased an early 1% decline to finish higher by 50 basis points, while Treasury's gave back early gains to leave the 10-year yield at 1.63%.
- » At his first news conference since becoming U.S. president, Joe Biden promised to outspend China on innovation and infrastructure to help the U.S. retain its place as the world's most powerful country. He also said he's open to diplomacy with North Korea but warned that recent missile tests could prompt a response if Pyongyang continues.
- » Federal Reserve Bank of Chicago President Charles Evans is upbeat about the outlook for lower unemployment, but worries it may be challenging to decisively lift inflation to the central bank's 2% goal.

USDINR April Daily Chart



Technical Observations:

- » USDINR April futures formed bearish candlestick pattern, erasing previous day's gain. It has been trading well below short term and medium term moving averages.
- » Momentum oscillators, Relative Strength Index again turned down and placed below 50.
- » USDINR April futures expected to trade with negative bias following bearish chart formation of lower top and bottom on major time scale. Derivative data also supporting bearishness as we have seen rise in open interest and fall in price.
- » The pair has near term support at 72.80 and resistance at 73.42.

Currency Derivative Price Actions

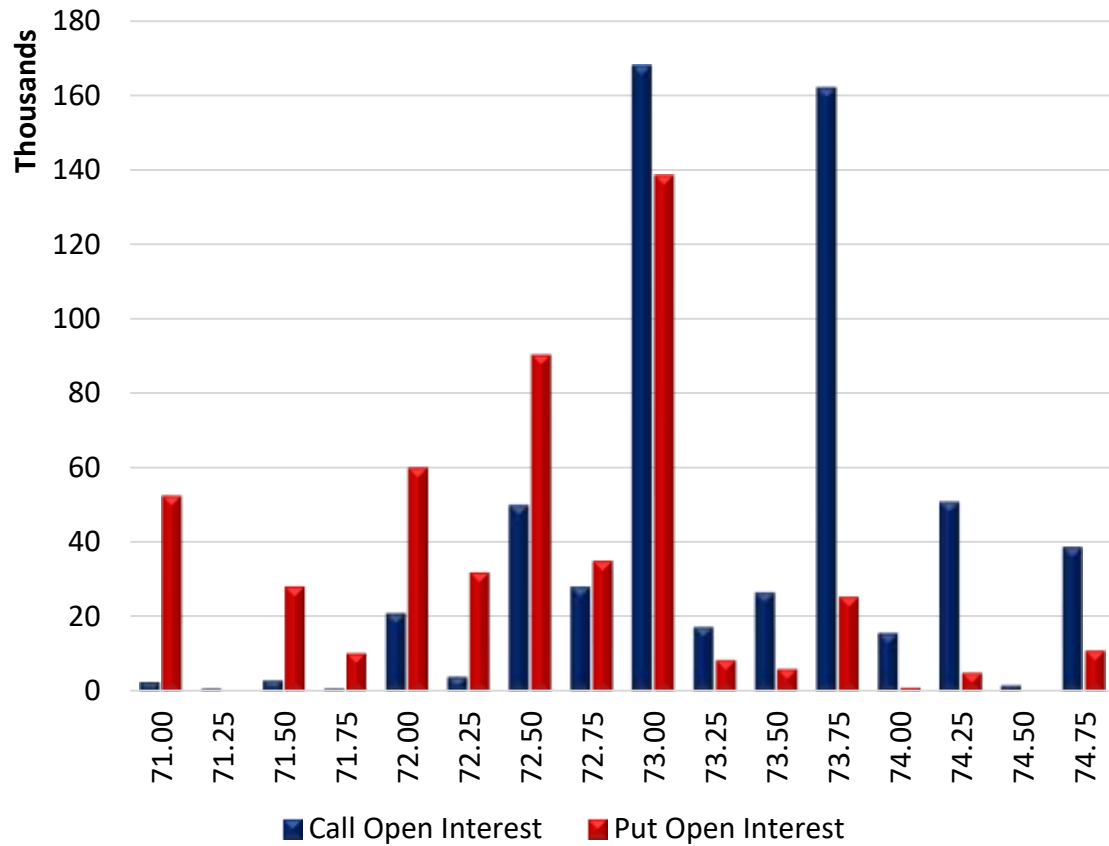
Currency	Expiry	Open	High	Low	Close	Prev. Close	Chg.	% Chg.	OI	% OI	Volume	% Volume
USDINR	28-Apr-21	73.1375	73.2050	73.0300	73.0600	73.1500	-0.0900	-0.12%	2105643	16.47%	1088384	-7.43%
EURINR	28-Apr-21	86.6025	86.6700	86.4100	86.4500	86.6500	-0.2000	-0.23%	92321	13.90%	46151	16.70%
GBPINR	28-Apr-21	100.2775	100.3050	100.0425	100.2300	100.3200	-0.0900	-0.09%	93834	4.40%	89498	23.57%
JPYINR	28-Apr-21	67.2800	67.3150	67.0600	67.0825	67.3600	-0.2775	-0.41%	21707	67.43%	20246	112.51%
EURUSD	28-Apr-21	1.1840	1.1867	1.1819	1.1835	1.1800	0.0035	0.30%	1403	138.20%	1265	89.94%
GBPUSD	28-Apr-21	1.3710	1.3731	1.3680	1.3721	1.3700	0.0021	0.15%	641	172.77%	505	98.82%
USDJPY	28-Apr-21	108.84	108.95	108.73	108.80	108.64	0.16	0.15%	42	-27.59%	32	3.23%

Technical Levels

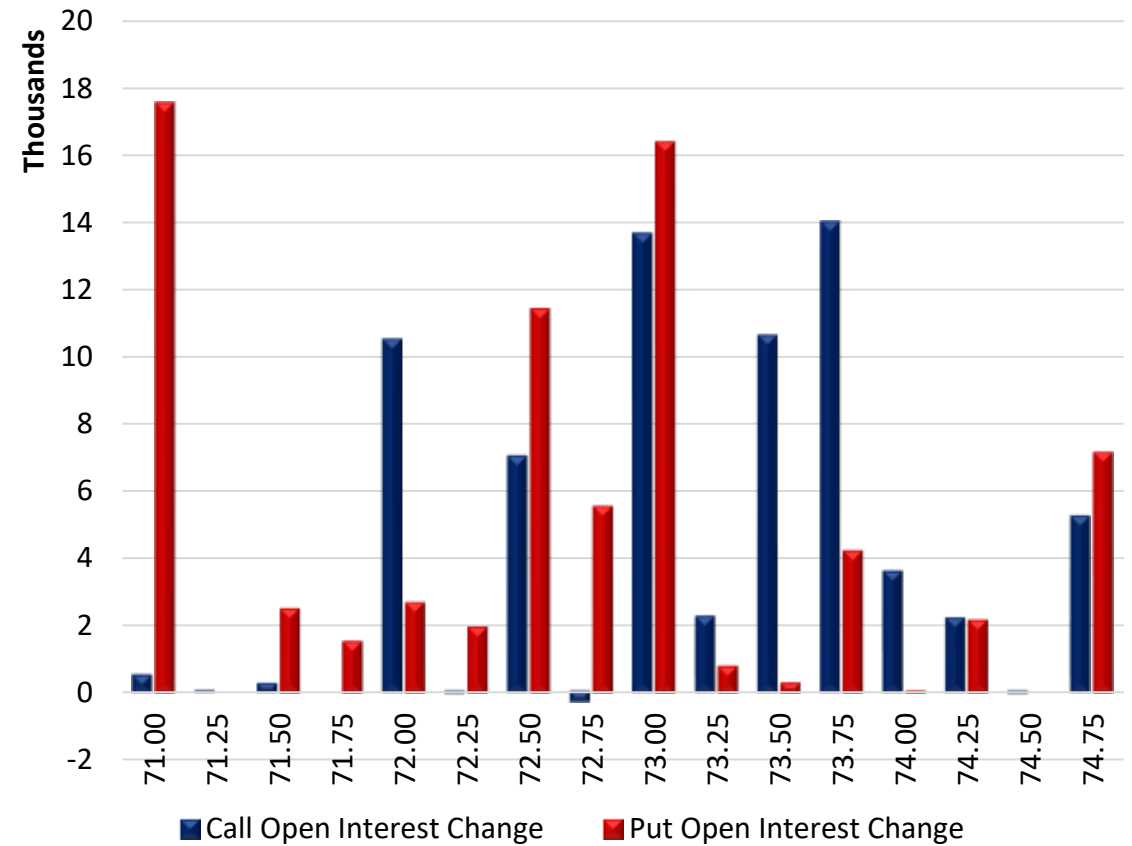
Currency	Expiry	Last	Pivot	Resi.2	Resi.1	Supt.1	Supt.2
USDINR	28-Apr-21	73.0600	73.0983	73.2733	73.1667	72.9917	72.9233
EURINR	28-Apr-21	86.4500	86.5100	86.7700	86.6100	86.3500	86.2500
GBPINR	28-Apr-21	100.2300	100.1925	100.4550	100.3425	100.0800	99.9300
JPYINR	28-Apr-21	67.0825	67.1525	67.4075	67.2450	66.9900	66.8975
EURUSD	28-Apr-21	1.1835	1.1840	1.1888	1.1862	1.1814	1.1792
GBPUSD	28-Apr-21	1.3721	1.3711	1.3762	1.3741	1.3690	1.3660
USDJPY	28-Apr-21	108.8	108.83	109.05	108.92	108.70	108.61

USDINR April Month Option Distribution

Option Distributions



Open Interest Change



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Disclosure:

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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 Phone: (022) 3045 3600

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