

# HDFC securities Retail Research Currency Daily

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



## Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.8600	73.9300	-0.0700	-0.09%
DXY Index*	91.2390	91.3330	-0.0940	-0.10%
EURUSD*	1.2020	1.2010	0.0010	0.08%
GBPUSD*	1.3900	1.3871	0.0029	0.21%
USDJPY*	109.34	109.44	-0.10	-0.09%
USDINR 1M NDF*	74.36	74.39	-0.0300	-0.04%

## Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14496.5	14634.2	-137.7	-0.94%
Sensex	48253.5	48718.5	-465.0	-0.95%
Hang-Seng	28427.7	28557.1	-129.5	-0.45%
Nikkei	28812.6	29054.0	-241.3	-0.83%
Shanghai	3446.9	3474.9	-28.0	-0.81%
S&P Index	4164.7	4192.7	-28.0	-0.67%
Dow Jones	34133.0	34113.2	19.8	0.06%
Nasdaq	13633.5	13895.1	-261.6	-1.88%
FTSE	6923.2	6969.8	-46.6	-0.67%
CAC	6251.8	6307.9	-56.1	-0.89%
DAX	14856.5	15236.5	-380.0	-2.49%

\* Prev. Close 5pm IST

## Rupee advances to one month high on inflows

- » Indian rupee expected to open right in line with Asian peers following overnight weakness in dollar after Yellen's clarification on interest rate. Rupee advanced to its highest level in about a month as the USDINR forward premiums remain elevated amid a glut of greenback in banking system. Spot USDINR fell for the second day in row to close at 73.86 with loss of 7 paise or 0.09%. Technically, spot USDINR is having support at 73.70 followed by 73.56 and resistance at 74.28.
- » USDINR 1-month premium fell 30bps to 8.13% Tuesday still are up more than 200bps in the first two days of this week and climbed as much as 156bps earlier, with traders citing inflows related to PowerGrid InvIT IPO, for which foreign funds may have sold dollars in spot and taken a contrary position in forwards.
- » Indian bond traders will also watch if the RBI indirectly steps in to buy bills at an auction later on Wednesday after purchasing in the previous two weeks. 10-year yields rose 1bp to 6.02% on Tuesday.
- » From the data bucket and events front, Central bank Governor Shaktikanta Das to make unscheduled speech as ferocious new coronavirus wave devastates the country. India's federal cabinet to meet and Markit India Services PMI and Composite PMI for April to be released today.
- » U.S. equity futures faltered and Asian stocks were set for a volatile open after a selloff in technology shares, amid comments from Treasury Secretary Janet Yellen that rates will likely rise as government spending ramps up and the economy responds with faster growth. In a subsequent interview, she clarified, saying she wasn't predicting or recommending rate hikes.
- » Commodities jumped to their highest in almost a decade as major economies rebound from the pandemic. The Bloomberg Commodity Spot Index, which tracks prices for 23 raw materials, rose 0.8% Tuesday to its highest since 2011 and has climbed more than 70% since March 2020. This could add worries to nations like India who already battling against covid19 and higher commodities prices will hurt the balance sheet.

USDINR May Daily Chart



Technical Observations:

- » USDINR May futures drifted lower and breached the previous top support. The pair is now having support at 73.55. the 50 and 100 days simple moving average.
- » Momentum oscillator, relative strength index of 14 days period of turned weak suggesting continuation of downward momentum.
- » MACD also given negative cross over and heading downward towards zero line indicating weaker trend.
- » USDINR May futures expected to trade with negative bias and has support at 74 followed by 73.55 while continue to resist at 74.70

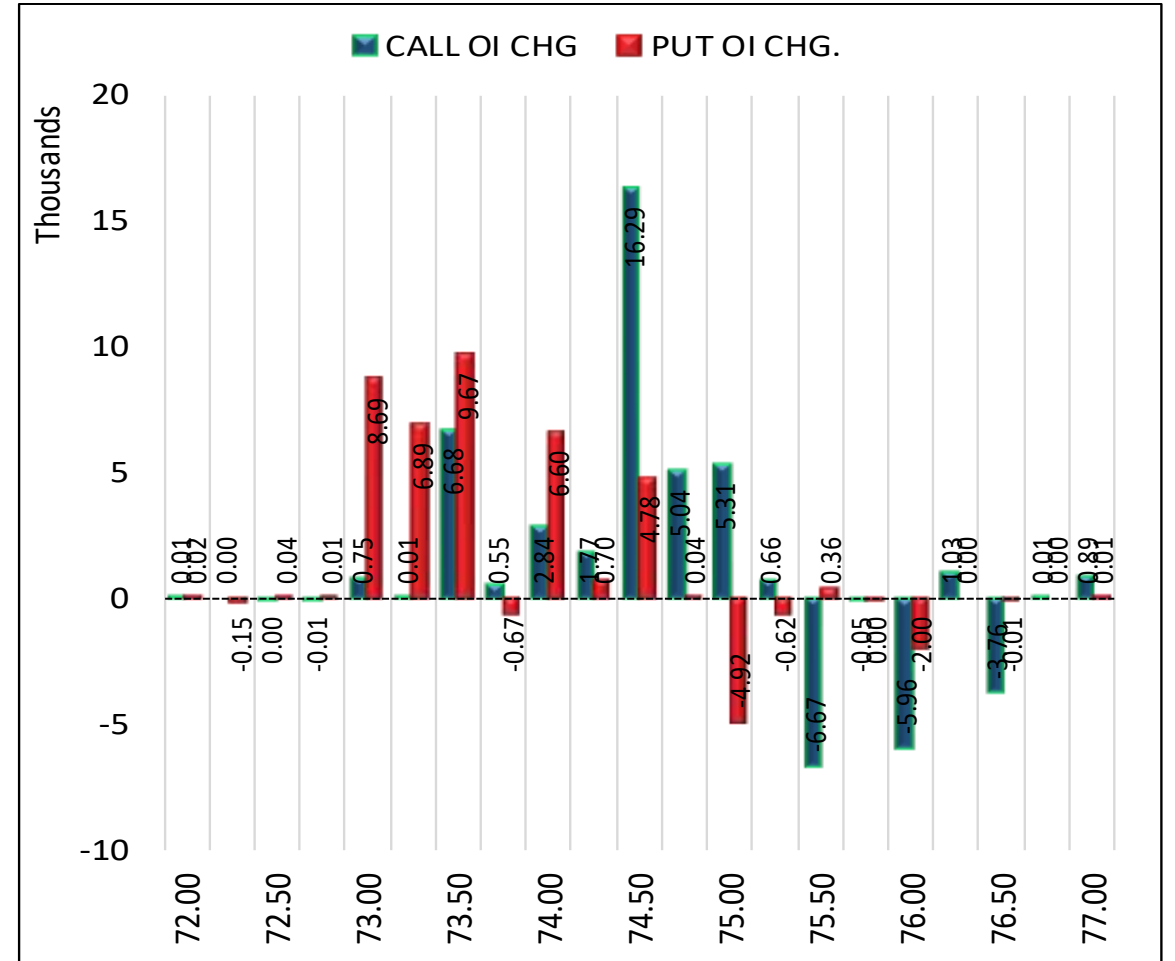
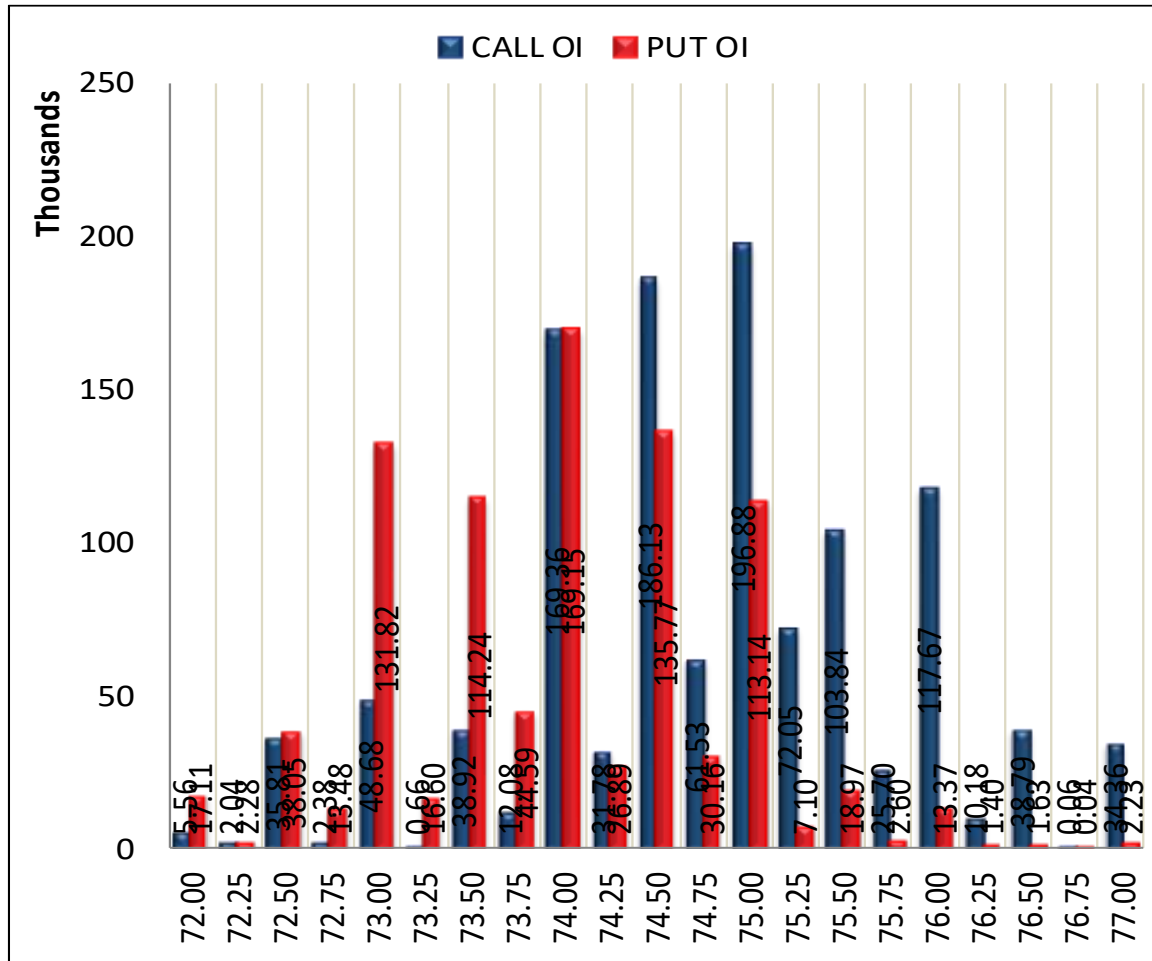
## Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	74.3025	74.4575	74.2200	74.2575	-0.10	2799052	24684	2080010	-297538
NSE EURINR Future May21	89.5125	89.6425	89.1875	89.2500	-0.43	119402	-6351	157385	-1176
NSE GBPINR Future May21	103.1500	103.3300	103.0100	103.0525	-0.08	156598	-2021	227242	13201
NSE JPYINR Future May21	68.0625	68.1200	67.8650	67.8850	-0.08	15236	-976	35964	-4926
NSE EURUSD Fut May21	1.2039	1.2045	1.2006	1.2016	-0.36	2191	-7	901	-171
NSE GBPUSD Fut May21	1.3874	1.3888	1.3853	1.3871	0.00	1360	158	580	-5081
NSE USDJPY Fut May21	109.22	109.41	109.20	109.43	0.04	408	-31	47	-194

## 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 May21	74.26	74.31	73.75	74.07	74.17	74.40	74.55	74.64	74.41	74.78
NSE EURINR Future May21	89.25	89.36	88.28	88.91	89.08	89.53	89.82	89.99	89.83	89.56
NSE GBPINR Future May21	103.05	103.13	102.37	102.81	102.93	103.25	103.45	103.57	103.39	103.52
NSE JPYINR Future May21	67.89	67.96	67.36	67.70	67.79	68.05	68.21	68.30	68.22	68.58
NSE EURUSD Fut May21	1.2016	1.2022	1.1928	1.1983	1.2000	1.2039	1.2061	1.2078	1.2070	1.1985
NSE GBPUSD Fut May21	1.3871	1.3871	1.3783	1.3836	1.3853	1.3888	1.3906	1.3923	1.38904	1.38516
NSE USDJPY Fut May21	109.43	109.35	108.78	109.14	109.28	109.49	109.56	109.70	109.07	109.04

## USDINR May Month Option Distribution



# HDFC securities Retail Research: Currency Daily

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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](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600**

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