

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.9125	73.8600	0.0525	0.07%
DXY Index*	91.2590	91.2470	0.0120	0.01%
EURUSD*	1.2009	1.2013	-0.0004	-0.03%
GBPUSD*	1.3910	1.3913	-0.0003	-0.02%
USDJPY*	109.31	109.32	-0.01	-0.01%
USDINR 1M NDF*	74.32	74.33	-0.0100	-0.01%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14617.9	14496.5	121.4	0.84%
Sensex	48677.6	48253.5	424.0	0.88%
Hang-Seng	28704.4	28418.0	286.5	1.01%
Nikkei	29380.1	28812.6	567.5	1.97%
Shanghai	3452.5	3446.9	5.6	0.16%
S&P Index	4167.6	4164.7	2.9	0.07%
Dow Jones	34230.3	34133.0	97.3	0.29%
Nasdaq	13582.4	13633.5	-51.1	-0.37%
FTSE	7039.3	6923.2	116.1	1.68%
CAC	6339.5	6251.8	87.7	1.40%
DAX	15170.8	14856.5	314.3	2.12%

* Prev. Close 5pm IST

Dollar consolidates ahead of US job data

- » Rupee likely to open flat following consolidation in dollar index ahead of the US job reports. On Wednesday, rupee underperformed among Asian currencies amid lingering worries over rising virus cases and slower growth.
- » Spot USDINR rises 0.1% to 73.9150, the pair erased major intraday gains after RBI Gov. Das's unscheduled address. Technically, it has support around 73.70 and resistance at 74.30.
- » Indian sovereign bonds advanced after central bank Governor Shaktikanta Das in an unscheduled address Wednesday announced 350b rupees (\$4.7b) of debt purchases on May 20 along with a raft of other measures to support the pandemic-hit economy. The 10-year yields down 4bps to 5.98%.
- » The dollar hovering near two-week high, consolidating ahead of a key U.S. jobs report that may provide clues on when the Federal Reserve will dial back monetary stimulus. The dollar index, which measures the U.S. currency against six major peers, was little changed at 91.26 on Thursday, after rising as high as 91.436 in the previous session for the first time since April 19. It had dipped as low as 90.422 on April 29. The euro traded at the psychologically important \$1.20 mark on Thursday, after dipping to \$1.1986 on Wednesday for the first time since April 19.
- » Sterling was little changed at \$1.3910, consolidating around that level over the past two weeks with the Bank of England expected by some forecasters to announce a tapering of its bond-buying program at a meeting later Thursday, after vaccinations bolstered Britain's economic recovery.
- » Three Fed officials spoke on Wednesday, with Chicago Fed President Charles Evans saying that while he was more optimistic about U.S. growth than he was a few months ago, he expects monetary policy to stay super-easy for some time.

USDINR May Daily Chart



Technical Observations:

- » USDINR May futures drifted lower for nine out of last ten days.
- » It has been trading well below short term moving average of 20 days.
- » Momentum oscillator, relative strength index of 14 days period heading down and placed below 50 level indicating weakness.
- » The pair is having crucial support at 73.85, the 200 days simple moving average and resistance at 74.70.
- » We expect USDINR May futures to consolidated in broad range of 73.80 to 74.70.

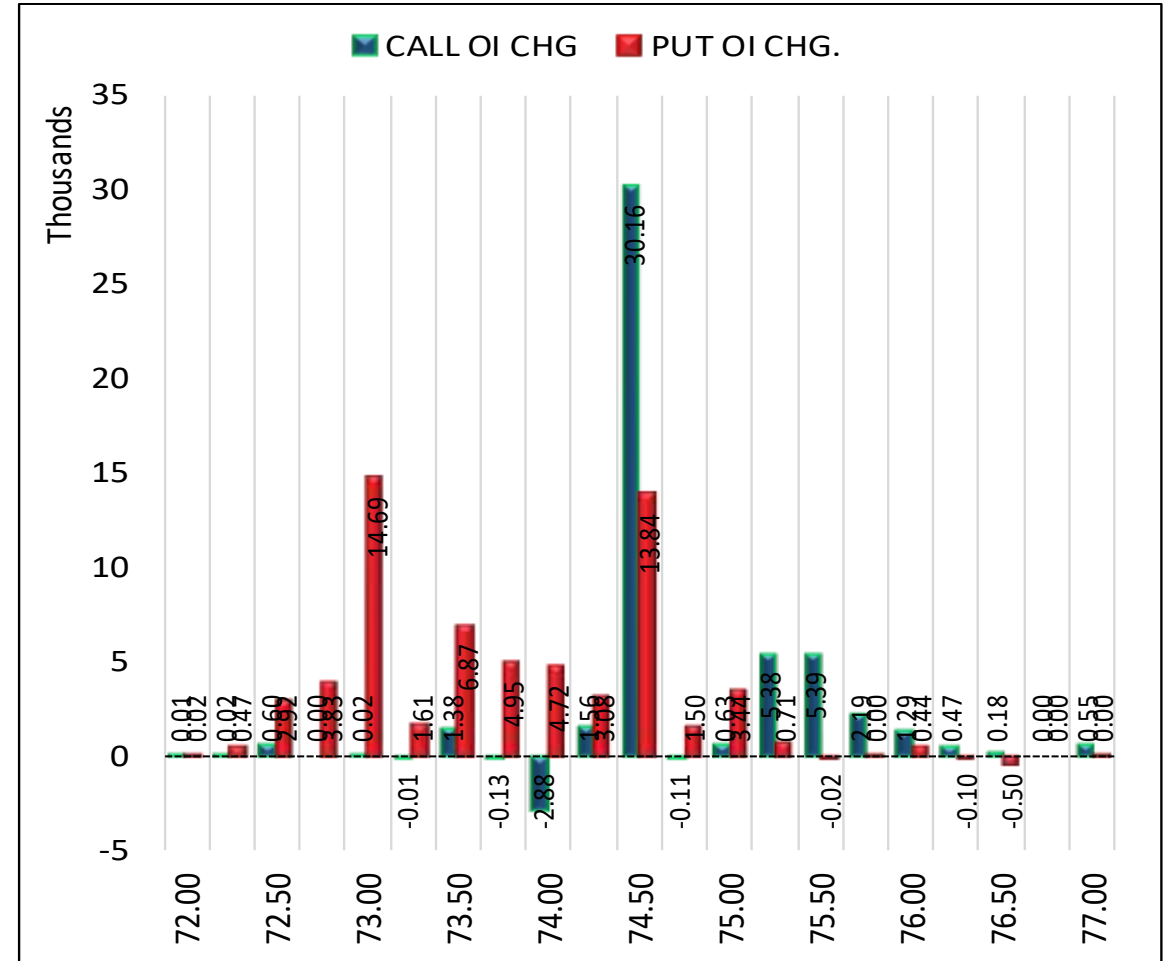
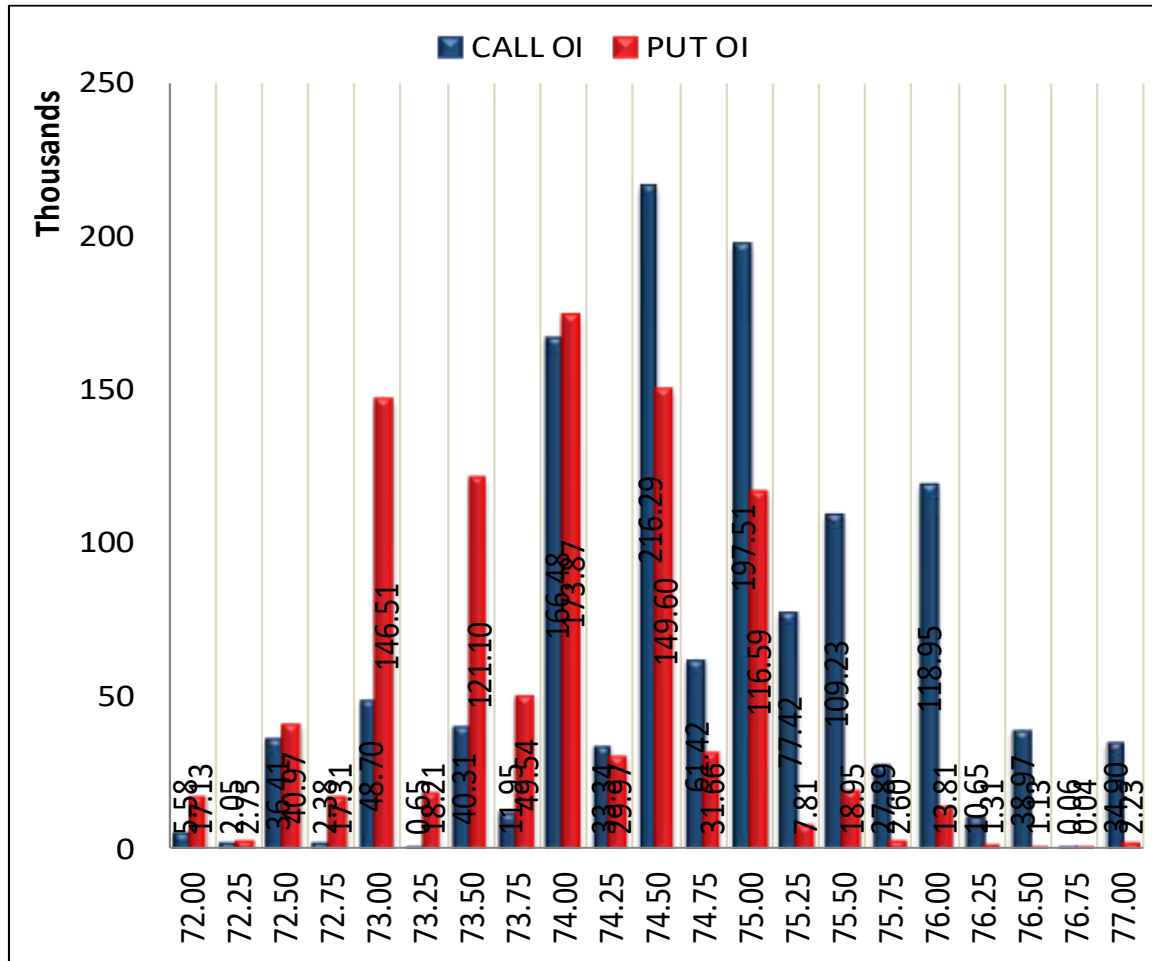
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	74.2975	74.3700	74.1750	74.1950	-0.08	2698092	-100960	2130464	50454
NSE EURINR Future May21	89.2725	89.3875	89.0750	89.1950	-0.06	118863	-539	105526	-51859
NSE GBPINR Future May21	103.2175	103.3500	103.0825	103.2500	0.19	150074	-6524	233936	6694
NSE JPYINR Future May21	67.9250	68.0225	67.8675	67.9150	0.04	16896	1660	33564	-2400
NSE EURUSD Fut May21	1.2028	1.2030	1.1992	1.2021	0.04	2147	-44	1031	130
NSE GBPUSD Fut May21	1.3908	1.3920	1.3877	1.3910	0.28	1516	156	1070	490
NSE USDJPY Fut May21	109.24	109.39	109.22	109.24	-0.17	251	-157	168	121

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	74.20	74.25	73.79	74.05	74.12	74.32	74.44	74.51	74.31	74.80
NSE EURINR Future May21	89.20	89.22	88.45	88.91	89.05	89.36	89.53	89.68	89.64	89.70
NSE GBPINR Future May21	103.25	103.23	102.55	102.96	103.11	103.37	103.50	103.64	103.32	103.61
NSE JPYINR Future May21	67.92	67.94	67.56	67.78	67.85	68.00	68.09	68.16	68.09	68.64
NSE EURUSD Fut May21	1.2021	1.2014	1.1916	1.1976	1.1999	1.2037	1.2052	1.2075	1.2062	1.1999
NSE GBPUSD Fut May21	1.391	1.3902	1.3791	1.3859	1.3885	1.3928	1.3945	1.3971	1.39	1.385825
NSE USDJPY Fut May21	109.24	109.28	108.88	109.11	109.18	109.35	109.45	109.52	109.13	108.97

USDINR May Month Option Distribution



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