

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.0437	73.2213	-0.1776	-0.24%
DXY Index*	89.8270	89.8640	-0.0370	-0.04%
EURUSD*	1.2223	1.2209	0.0014	0.11%
GBPUSD*	1.4187	1.4192	-0.0005	-0.04%
USDJPY*	109.01	109.03	-0.02	-0.02%
USDINR 1M NDF*	73.52	73.49	0.0300	0.04%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15108.1	14923.2	185.0	1.24%
Sensex	50193.3	49580.7	612.6	1.24%
Hang-Seng	28593.8	28194.1	399.7	1.42%
Nikkei	28186.0	28406.8	-220.8	-0.78%
Shanghai	3529.0	3517.6	11.4	0.32%
S&P Index	4127.8	4163.3	-35.5	-0.85%
Dow Jones	34060.7	34327.8	-267.1	-0.78%
Nasdaq	13303.6	13379.1	-75.4	-0.56%
FTSE	7034.2	7032.9	1.4	0.02%
CAC	6353.7	6367.4	-13.7	-0.21%
DAX	15386.6	15396.6	-10.0	-0.07%

* Prev. Close 5pm IST

Rupee Bids well as Virus Cases Decline

- » Indian rupee gained for the third day in row following decline in virus cases and rebound in domestic equities. Foreign institutions have also started buying in domestic equities as indices rallies. Traders are also expecting foreign inflows from IPO in coming months along with MSCI rebalancing inflows. In short, dollar inflows and weaker dollar supporting rupee.
- » Rupee has been the best performing currency among Asian basket with gain of 1.43%, so far this month. Spot USDINR closed at 73.04 with loss of 18 paise or 0.24% after touching low of 72.95, the lowest level since March 30. Technically, the pair is having support at 72.76 and resistance at 73.35, the 100 days simple moving average.
- » It's been a quiet day in forex markets, with the dollar gently offered on the back of additional signs of an improving virus situation in most of the world and a solid session in most of Asia so far this week. Global virus developments, commodity prices will remain the main drivers of risk appetite and the dollar ahead of the FOMC minutes later tonight. The Fed publishes minutes from its April meeting, which may provide clues to officials' view on the recovery and how they define "transitory" when it comes to inflation.
- » Asian stocks on Wednesday are set to track U.S. declines as concern about faster inflation shadows the economic recovery from the pandemic. On Tuesday, US stocks came under pressure late in the day to leave the S&P 500 and Nasdaq 100 indices each lower by about 80 basis points, while the VIX jumped above 21.
- » A gauge of the greenback's strength slid to its lowest in four months after Federal Reserve officials indicated that they see recent price pressures as transitory. The pound and euro rose on optimism over the economic outlook and coronavirus vaccine rollouts.
- » Markets are closed Wednesday in Hong Kong and South Korea for holidays.

USDINR May Daily Chart



Technical Observations:

- » USDINR May futures closed below Ichimoku cloud indicating bearishness.
- » The pair has been trading with lower top lower bottom formation on daily and hourly time frame..
- » Relative strength index further drifted lower and last place at 33.4 and about to enter in oversold zone.
- » DMI also suggesting continuation of weak trend with -DI placed above +DI and ADX line heading higher.
- » USDINR May futures may consolidate in the range of 72.70 to 73.30 in near term.

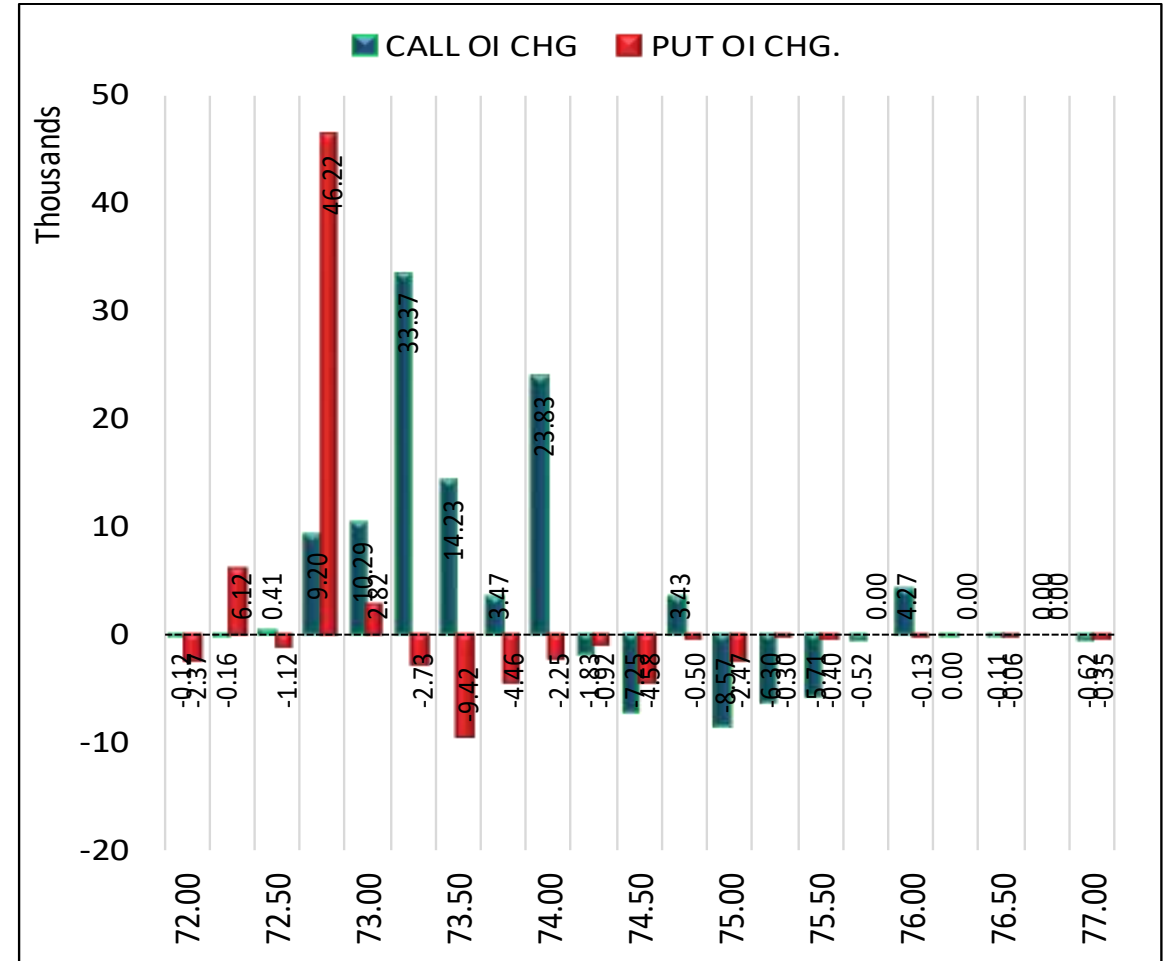
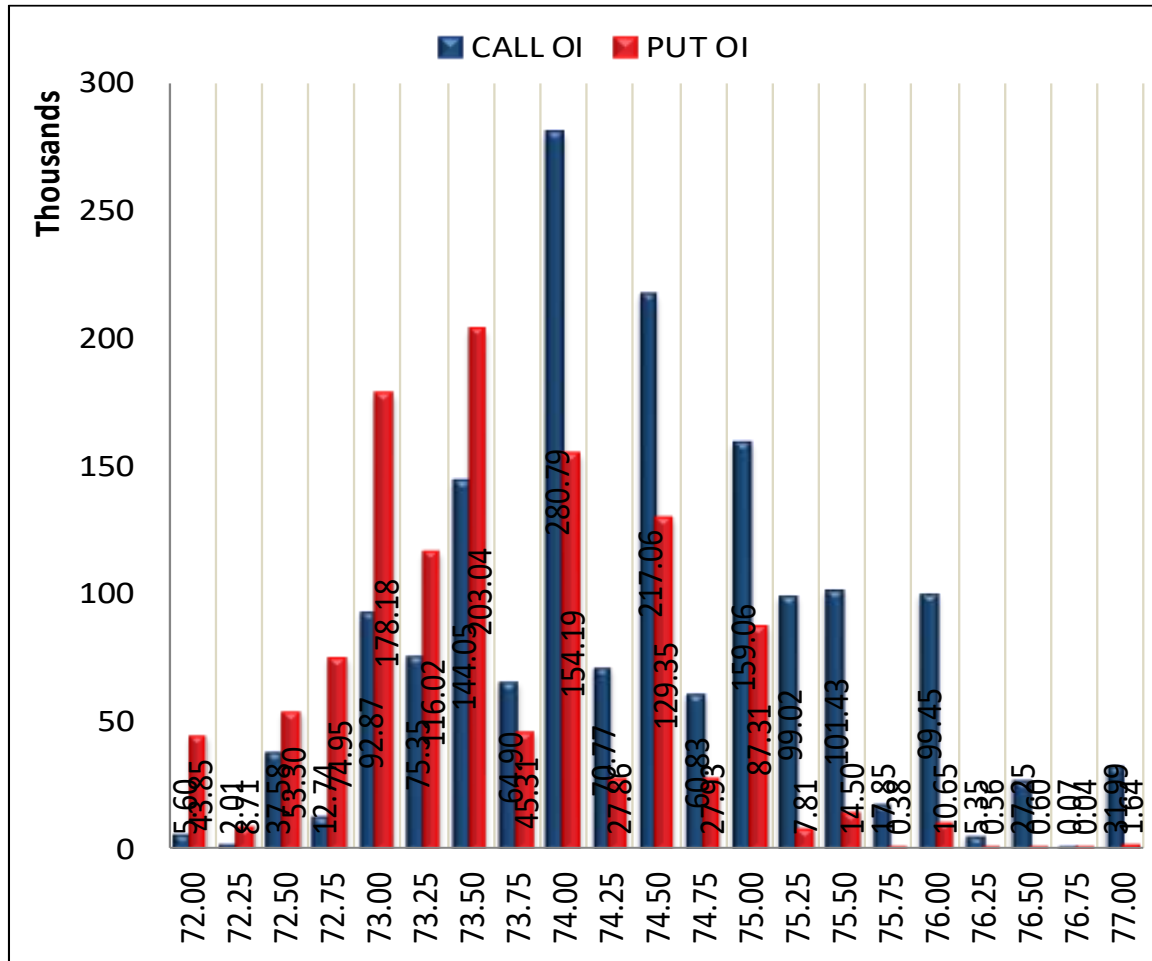
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	73.3700	73.3775	73.0600	73.1750	-0.36	2618771	55812	1847963	667398
NSE EURINR Future May21	89.0350	89.4475	88.9775	89.3400	0.01	100993	-1592	139743	10800
NSE GBPINR Future May21	103.8600	104.0250	103.6850	103.8300	0.26	116714	-3203	263226	53309
NSE JPYINR Future May21	67.2325	67.2400	67.0325	67.1400	-0.27	20449	1850	31611	10425
NSE EURUSD Fut May21	1.2162	1.2220	1.2162	1.2209	0.35	3040	267	545	177
NSE GBPUSD Fut May21	1.4161	1.4211	1.4161	1.4194	0.66	3462	-2636	7142	6825
NSE USDJPY Fut May21	109.11	109.11	108.93	109.02	-0.08	96	-6	12	-1

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	73.18	73.20	72.43	72.89	73.03	73.35	73.52	73.67	73.44	74.30
NSE EURINR Future May21	89.34	89.26	88.04	88.79	89.06	89.53	89.73	90.00	89.29	89.84
NSE GBPINR Future May21	103.83	103.85	103.01	103.51	103.67	104.01	104.19	104.35	103.75	103.79
NSE JPYINR Future May21	67.14	67.14	66.62	66.93	67.04	67.24	67.35	67.45	67.41	68.32
NSE EURUSD Fut May21	1.2209	1.2197	1.2046	1.2139	1.2174	1.2232	1.2255	1.2290	1.2160	1.2094
NSE GBPUSD Fut May21	1.4194	1.4189	1.4061	1.4139	1.4166	1.4216	1.4239	1.4266	1.41298	1.396895
NSE USDJPY Fut May21	109.02	109.02	108.57	108.84	108.93	109.11	109.20	109.29	108.95	108.75

USDINR May Month Option Distribution



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