

HDFC securities Retail Research Currency Daily

20 May 2021

Analyst:
Dilip Parmar
dilip.parmar@hdfcsec.com



Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.1675	73.0437	0.1238	0.17%
DXY Index*	90.1860	90.0220	0.1640	0.18%
EURUSD*	1.2174	1.2199	-0.0025	-0.20%
GBPUSD*	1.4107	1.4145	-0.0038	-0.27%
USDJPY*	109.17	109.30	-0.13	-0.12%
USDINR 1M NDF*	73.60	73.55	0.0500	0.07%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15030.2	15108.1	-78.0	-0.52%
Sensex	49902.6	50193.3	-290.7	-0.58%
Hang-Seng	28593.8	28194.1	399.7	1.42%
Nikkei	28044.3	28044.5	-0.1	0.00%
Shanghai	3511.0	3529.0	-18.0	-0.51%
S&P Index	4115.7	4127.8	-12.1	-0.29%
Dow Jones	33896.0	34060.7	-164.6	-0.48%
Nasdaq	13299.7	13303.6	-3.9	-0.03%
FTSE	6950.2	7034.2	-84.0	-1.19%
CAC	6262.6	6353.7	-91.1	-1.43%
DAX	15113.6	15386.6	-273.0	-1.77%

* Prev. Close 5pm IST

Dollar gains as Fed Minutes Spur Taper Concern

- » Rupee declined, ended a three-day win streak, as dollar index recovered from multi month low. A gauge of the dollar's strength climbed along with U.S. Treasury yields after minutes from the Federal Reserve's last meeting revealed that some officials would be open to discussing scaling back the central bank's massive bond purchases "at some point." Concern surrounding the impact of inflation on monetary policy dragged riskier assets and commodities lower while safe have currencies and commodities gained.
- » The rupee and the Sensex are leading gains in Asia over the past month despite record death tolls and infection rates. Rupee gained 1.2% to 73.17 a dollar so far this month following weaker dollar and dollar inflows.
- » On Wednesday, spot USDINR closed at 73.17 gained 12 paise or 0.17%, gained after falling for three consecutive days. There were central bank's intervention around 73 odd level along with importers dollar demand on Wednesday.
- » USDINR has resistance at 73.3505, 100-DMA and 73.7738, March 1 high while find support at 73.000, psychological followed by 72.7500, March 29 gap high
- » Asian stocks looked set for a mixed open Thursday after U.S. shares dipped and Treasury yields rose in the wake of Federal Reserve minutes that flagged the possibility of a debate on scaling back asset purchases. However, that conversation took place before the most recent disappointing employment and retail sales reports, which showed the U.S. economy growing at a slower pace than projected. The benchmark 10-year Treasury yield climbed to 1.67% in U.S. hours.
- » The euro erased gains after earlier climbing to \$1.2245, the highest level since January as bets mounted the ECB will taper its pandemic bond-buying program in the summer.

USDINR May Daily Chart



Technical Observations:

- » USDINR May futures formed bullish candle near psychological support of 73 which is coincidentally gap support.
- » The pair is about to give death cross over by 50 DMA crossing 200 DMA downward suggesting medium term bearishness.
- » Momentum oscillators placed near oversold zone indicating consolidating before heading lower.
- » USDINR May futures expected to trade in the range of 72.70 to 73.30 with overall bias remains bearish, near term consolidation can be seen.

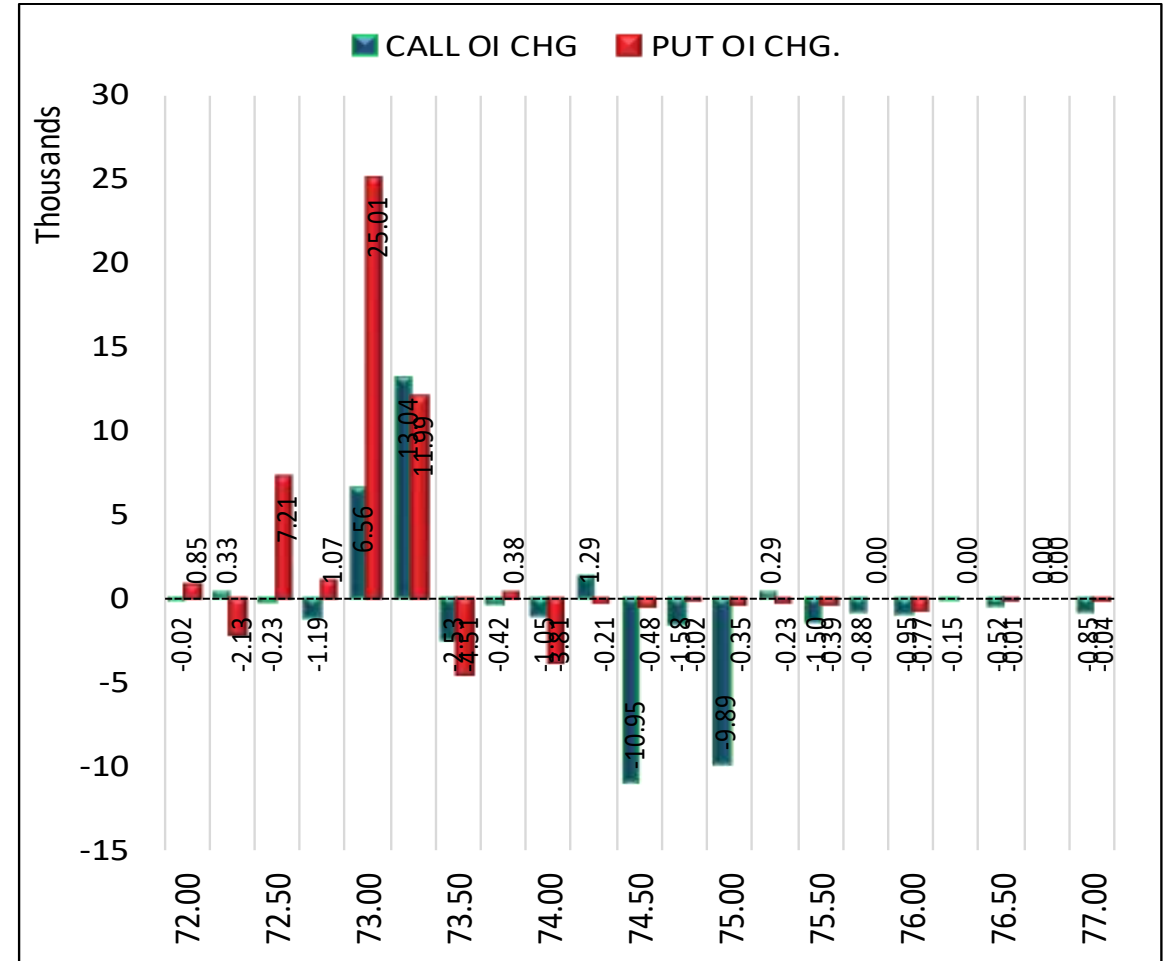
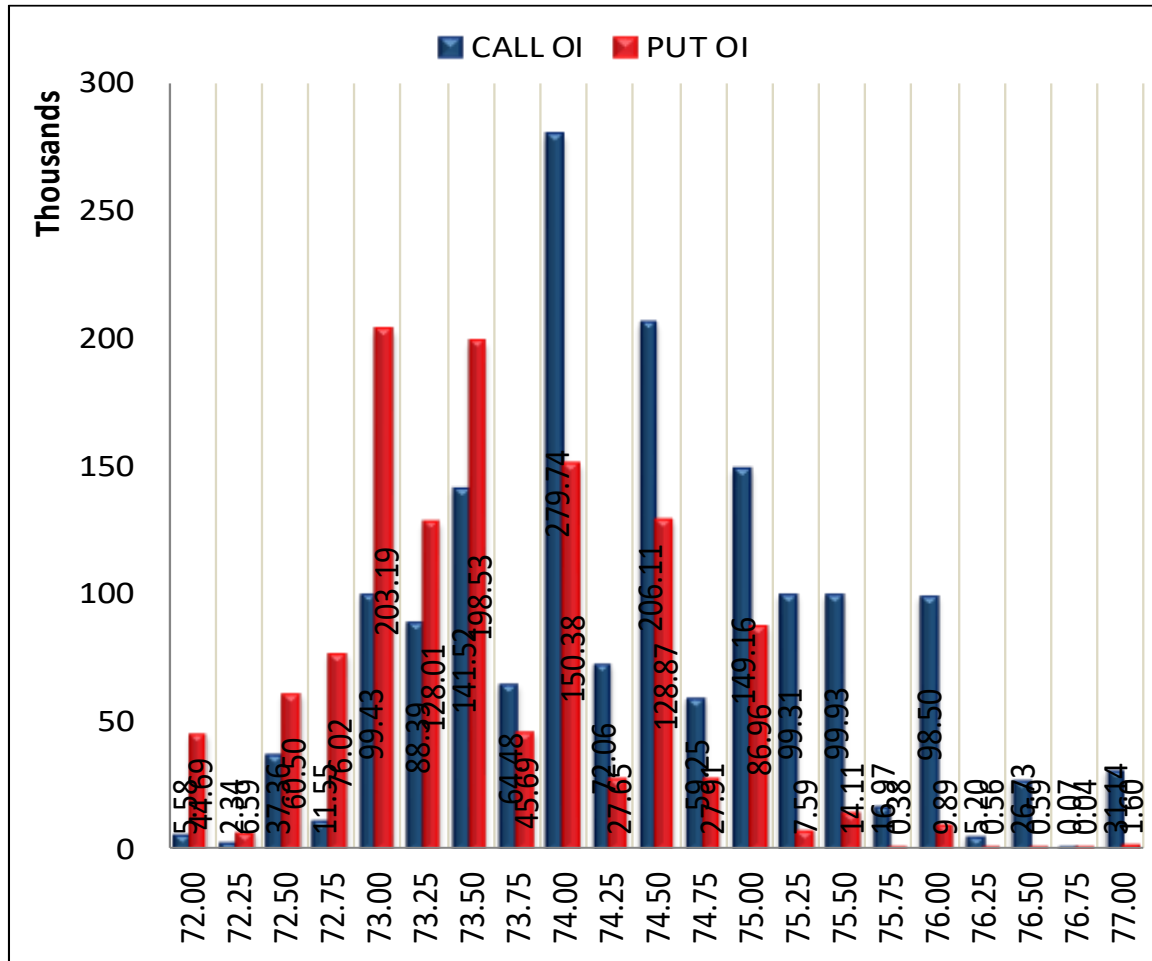
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	73.1750	73.2925	73.0275	73.2625	0.12	2547186	-71585	1557424	-290539
NSE EURINR Future May21	89.4400	89.5850	89.3350	89.4100	0.08	100329	-664	140805	1062
NSE GBPINR Future May21	103.9175	103.9250	103.6300	103.6975	-0.13	114266	-2448	225633	-37593
NSE JPYINR Future May21	67.1550	67.2300	67.0400	67.0650	-0.11	21925	1476	22515	-9096
NSE EURUSD Fut May21	1.2228	1.2242	1.2195	1.2197	-0.10	3343	303	883	338
NSE GBPUSD Fut May21	1.4188	1.4198	1.4147	1.4153	-0.29	3590	128	927	-6215
NSE USDJPY Fut May21	108.89	109.19	108.85	109.18	0.15	96	0	56	44

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	73.26	73.19	72.50	72.93	73.10	73.36	73.46	73.63	73.38	74.20
NSE EURINR Future May21	89.41	89.44	88.84	89.19	89.30	89.55	89.69	89.80	89.27	89.78
NSE GBPINR Future May21	103.70	103.75	103.04	103.46	103.58	103.87	104.05	104.17	103.70	103.74
NSE JPYINR Future May21	67.07	67.11	66.66	66.92	66.99	67.18	67.30	67.37	67.28	68.20
NSE EURUSD Fut May21	1.2197	1.2211	1.2101	1.2164	1.2181	1.2228	1.2258	1.2275	1.2165	1.2102
NSE GBPUSD Fut May21	1.4153	1.4166	1.4045	1.4115	1.4134	1.4185	1.4217	1.4236	1.4132	1.39818
NSE USDJPY Fut May21	109.18	109.07	108.17	108.73	108.96	109.30	109.41	109.64	109.05	108.80

USDINR May Month Option Distribution



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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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