

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	73.1050	73.1675	-0.0625	-0.09%
DXY Index*	89.7640	90.0190	-0.2550	-0.28%
EURUSD*	1.2232	1.2199	0.0033	0.27%
GBPUSD*	1.4177	1.4129	0.0048	0.34%
USDJPY*	108.84	108.96	-0.12	-0.11%
USDINR 1M NDF*	73.40	73.51	-0.1100	-0.15%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	14906.1	15030.2	-124.1	-0.83%
Sensex	49564.9	49902.6	-337.8	-0.68%
Hang-Seng	28405.2	28450.3	-45.1	-0.16%
Nikkei	28335.4	28098.3	237.1	0.84%
Shanghai	3507.2	3506.9	0.3	0.01%
S&P Index	4159.1	4115.7	43.4	1.06%
Dow Jones	34084.2	33896.0	188.1	0.55%
Nasdaq	13535.7	13299.7	236.0	1.77%
FTSE	7019.8	6950.2	69.6	1.00%
CAC	6343.6	6262.6	81.0	1.29%
DAX	15370.3	15113.6	256.7	1.70%

* Prev. Close 5pm IST

Dollar Fell with UST Yields

- » Indian rupee has a favorable platform for a green finish this week as overnight weakness in dollar index and surge in US indices will support in today's session. The non deliverable forward USDINR last quoted at 73.40 down around 11 paise from Indian closing. Decline in virus cases, weaker dollar index and foreign fund inflows have been supporting rupee gains. Unless something comes out of left field to disturb the mood, Friday looks set to be a range trading session, with a positive bias for risk assets and rupee.
- » On Thursday, spot USDINR closed at 73.11 level 6 paise down from previous 73.17. Technically, the pair has support at 72.87 followed by 72.77 while continue to resist around 73.40 odd levels.
- » From the data docket, India's central bank to hold reverse repo, govt bond auctions and release weekly foreign exchange data.
- » Remarkable dollar weakness helped to spur some animal spirits for risk assets, as the S&P 500 and Nasdaq 100 indices rallied by 1.1% and 1.8%, respectively, to sit higher by 11% and 5% so far this year. US Treasury's also caught a bid, with the 10-year yield falling four basis points to 1.63%. Dollar index, basket of six currencies, drifted below 90 and last quoted at 89.76, heads for weekly loss.
- » US jobless claims data also boosted sentiment on Thursday. The number of first-time claims for unemployment benefits for the week ended May 15 came in at 444,000, the lowest since March 14, 2020, the Labor Department reported.
- » Further positive leads appeared thanks to a cease fire between Israel and Hamas and cryptocurrencies appear to be steadying after their latest 15 minutes of fame.

USDINR May Daily Chart



Technical Observations:

- » USDINR May futures erased all April month's gain closed at weakest level.
- » There has been negative cross over of 21 days and 34 days moving average.
- » The formation of lower top lower bottom suggesting continuation of down trend.
- » Momentum oscillator, RSI has been drifting towards oversold zone suggesting continuation of weak trend.
- » We continue to remain bearish until pair starts trading above 74.20 level. In near term, USDINR May futures may consolidate in the range of 72.70 to 73.50.

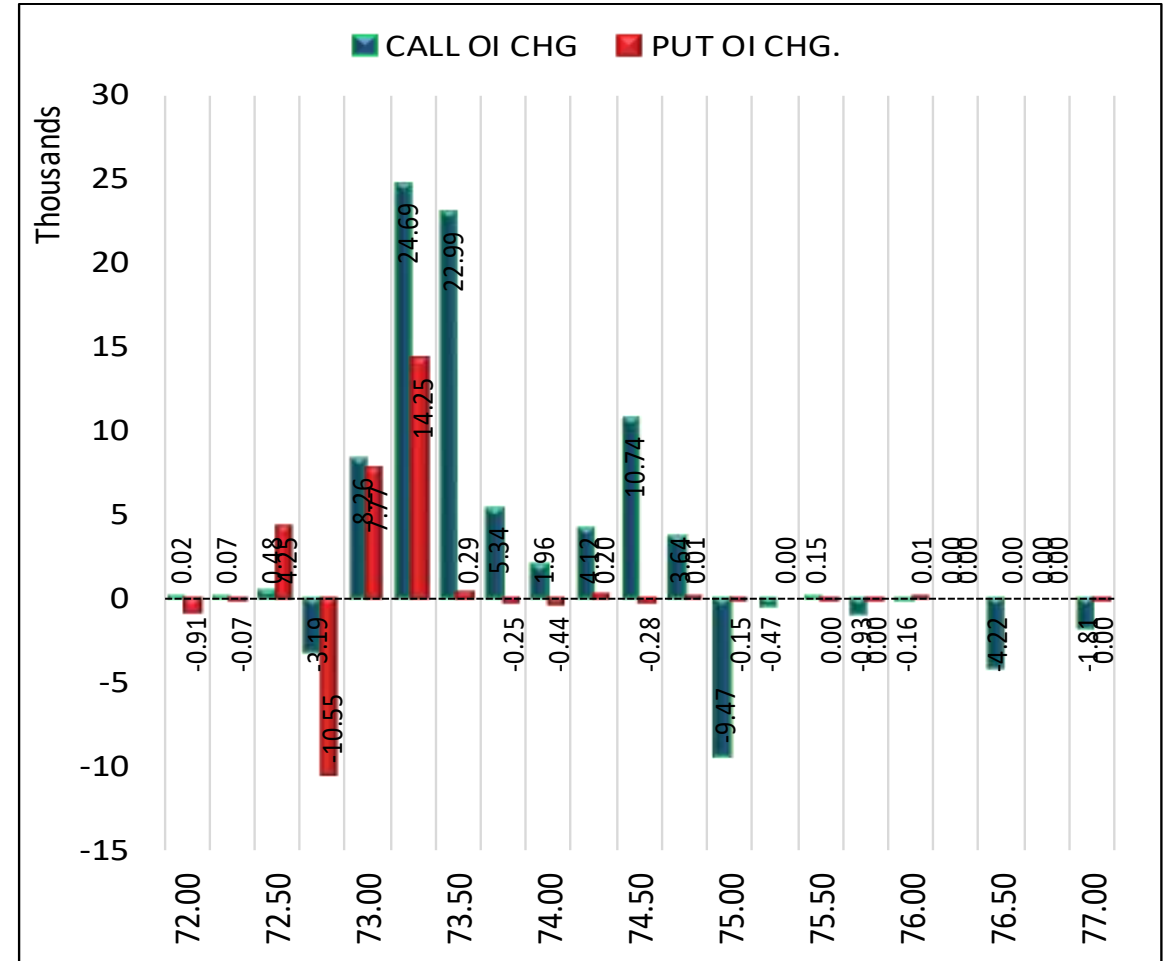
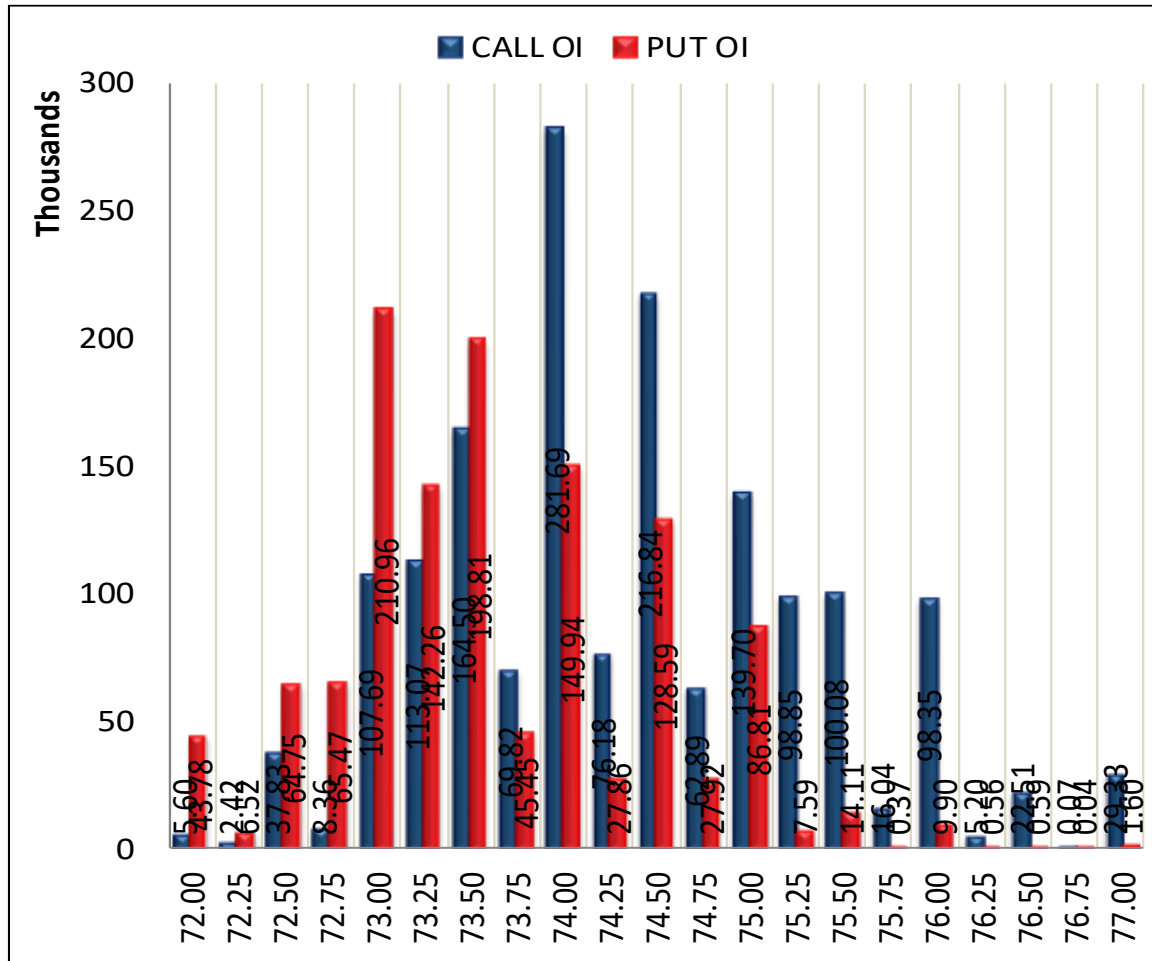
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	73.2475	73.3050	73.1500	73.1775	-0.12	2406850	-140336	1434676	-122748
NSE EURINR Future May21	89.1425	89.5000	89.0000	89.2825	-0.14	96929	-3400	119508	-21297
NSE GBPINR Future May21	104.1000	104.1000	103.2900	103.4175	-0.27	112193	-2073	201688	-23945
NSE JPYINR Future May21	67.0525	67.2475	67.0525	67.1825	0.18	21082	-843	24757	2242
NSE EURUSD Fut May21	1.2186	1.2201	1.2180	1.2197	0.00	3255	-88	610	-273
NSE GBPUSD Fut May21	1.4119	1.4141	1.4105	1.4130	-0.16	3791	201	711	-216
NSE USDJPY Fut May21	109.10	109.10	108.85	108.85	-0.30	96	0	54	-2

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	73.21	72.84	73.06	73.12	73.27	73.37	73.43	73.30	74.09
NSE EURINR Future May21	89.28	89.26	88.00	88.76	89.02	89.52	89.76	90.02	89.27	89.70
NSE GBPINR Future May21	103.42	103.60	101.67	102.79	103.11	103.92	104.41	104.73	103.58	103.64
NSE JPYINR Future May21	67.18	67.16	66.66	66.97	67.07	67.27	67.36	67.46	67.18	68.08
NSE EURUSD Fut May21	1.2197	1.2193	1.2138	1.2172	1.2184	1.2205	1.2214	1.2226	1.2178	1.2109
NSE GBPUSD Fut May21	1.413	1.4125	1.4033	1.4089	1.4110	1.4146	1.4161	1.4182	1.41304	1.39891
NSE USDJPY Fut May21	108.85	108.93	108.35	108.68	108.77	109.02	109.18	109.27	109.09	108.83

USDINR May Month Option Distribution



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