

HDFC securities Retail Research Currency Daily

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	72.9650	72.8387	0.1263	0.17%
DXY Index*	89.7760	89.9420	-0.1660	-0.18%
EURUSD*	1.2228	1.2206	0.0022	0.18%
GBPUSD*	1.4172	1.4127	0.0045	0.32%
USDJPY*	108.74	108.97	-0.23	-0.21%
USDINR 1M NDF*	73.26	73.31	-0.0500	-0.07%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15197.7	15175.3	22.4	0.15%
Sensex	50651.9	50540.5	111.4	0.22%
Hang-Seng	28461.5	28412.3	49.2	0.17%
Nikkei	28533.6	28364.6	169.0	0.60%
Shanghai	3497.3	3486.6	10.7	0.31%
S&P Index	4197.1	4155.9	41.2	0.99%
Dow Jones	34394.0	34207.8	186.1	0.54%
Nasdaq	13661.2	13471.0	190.2	1.41%
FTSE	7051.6	7018.1	33.5	0.48%
CAC	6408.5	6386.4	22.1	0.35%
DAX	15437.5	15370.3	67.3	0.44%

* Prev. Close 5pm IST

Dollar inches lower after Fed Speakers clarify on inflation

- » Indian rupee expected to open slightly higher following overnight weakness in dollar index and rebound in risk assets. On Monday, rupee fell 13 paise to 72.97 a dollar level amid bargain buying while the momentum remains on bullish side following inflows and risk on sentiments. Technically, spot USDINR is having support at 72.77 and 72.37 while resistance at 73.35.
- » Foreign direct investment (FDI) inflows into India rose 9.8% to a record \$81.7 billion in FY21 on gross basis as per the Commerce Ministry.
- » In India, weekly unemployment rate rose for the fourth straight week to the highest since June last year, according to the Centre for Monitoring the Indian Economy. Unemployment rate rose to 14.73% for the week ended May 23 (from 14.4% last week), led by a spike in urban areas even as unemployment in rural areas eased.
- » Asian risk assets are set up for a buoyant Tuesday after a chorus of Fed speakers overnight once more made it clear the U.S. central bank will look through what they expect to be a transitory inflation spike. Investors accepted the message and preceded to buy some of the dips out there, especially in techs, and equity index futures signal stocks here are set to rise. Elsewhere, Oil jumped by the most in a month after Iran said that gaps remain in negotiations aimed at reaching a deal to end U.S. sanctions on its crude, which would add to supply in the market.
- » Dollar weakened against all of its Group-Of-10 currency peers after a U.S. economic activity gauge came in below expectations. Open interest in EURUSD contracts touched an all-time high Tuesday with CFTC data showing asset managers adding to near-record longs. Positions have since been reduced with accounts looking to express bullish views through options. GBPUSD open interest has been trimmed since peaking on May 12, with the spot nearly unchanged since. Cable call volumes have been robust in May, according to DTCC data.

USDINR May Daily Chart



Technical Observations:

- USDINR May futures trading well below major moving averages.
- The pair forming lower highs and lower lows on daily and weekly span.
- RSI placed at 33 odd level and heading towards oversold zone suggesting weaker momentum.
- Volumes were remain lacklustre in recent downward move suggesting exhaustion of bears.
- USDINR May futures expected to trade with bearish bias and selling below 72.80 push towards 72.36 level while 73.30 remains near term hurdle.

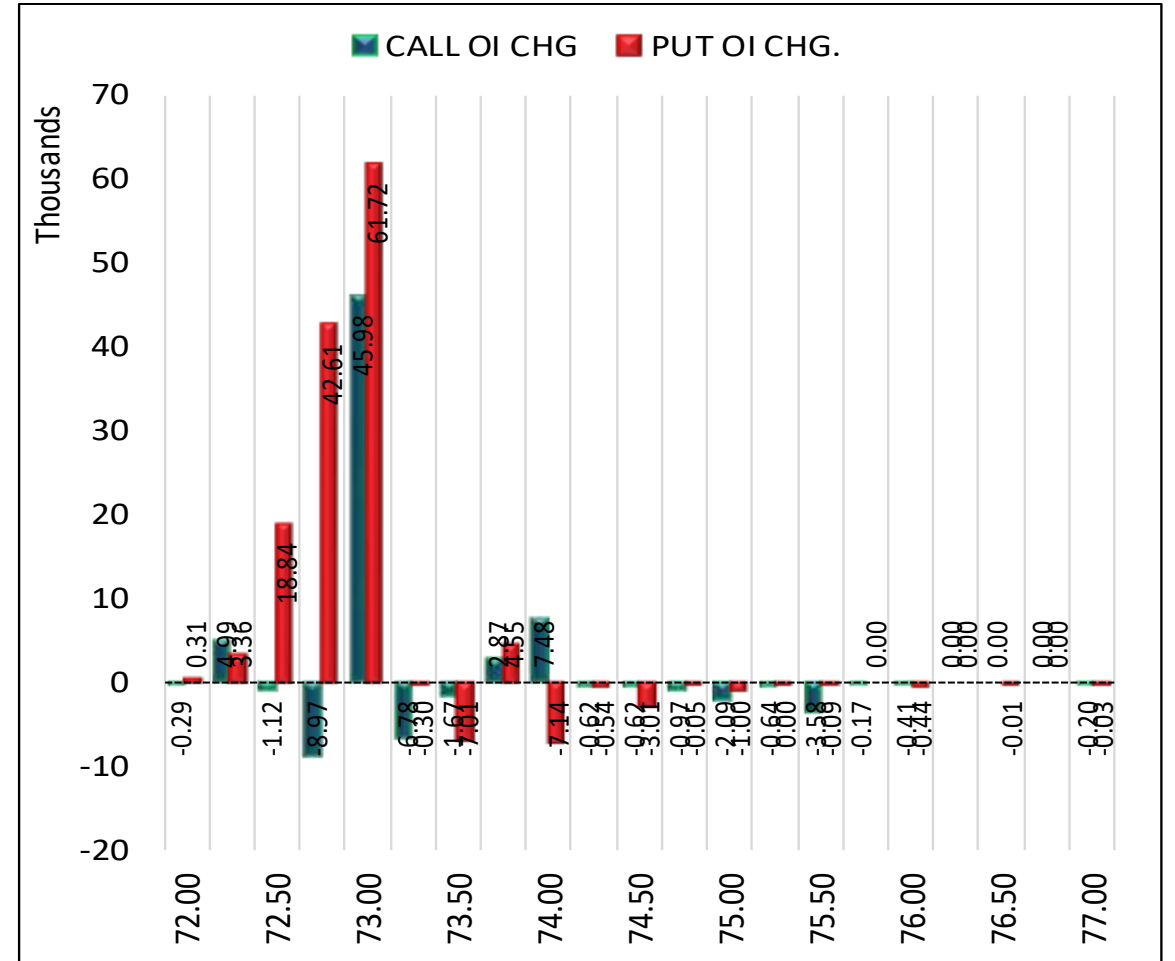
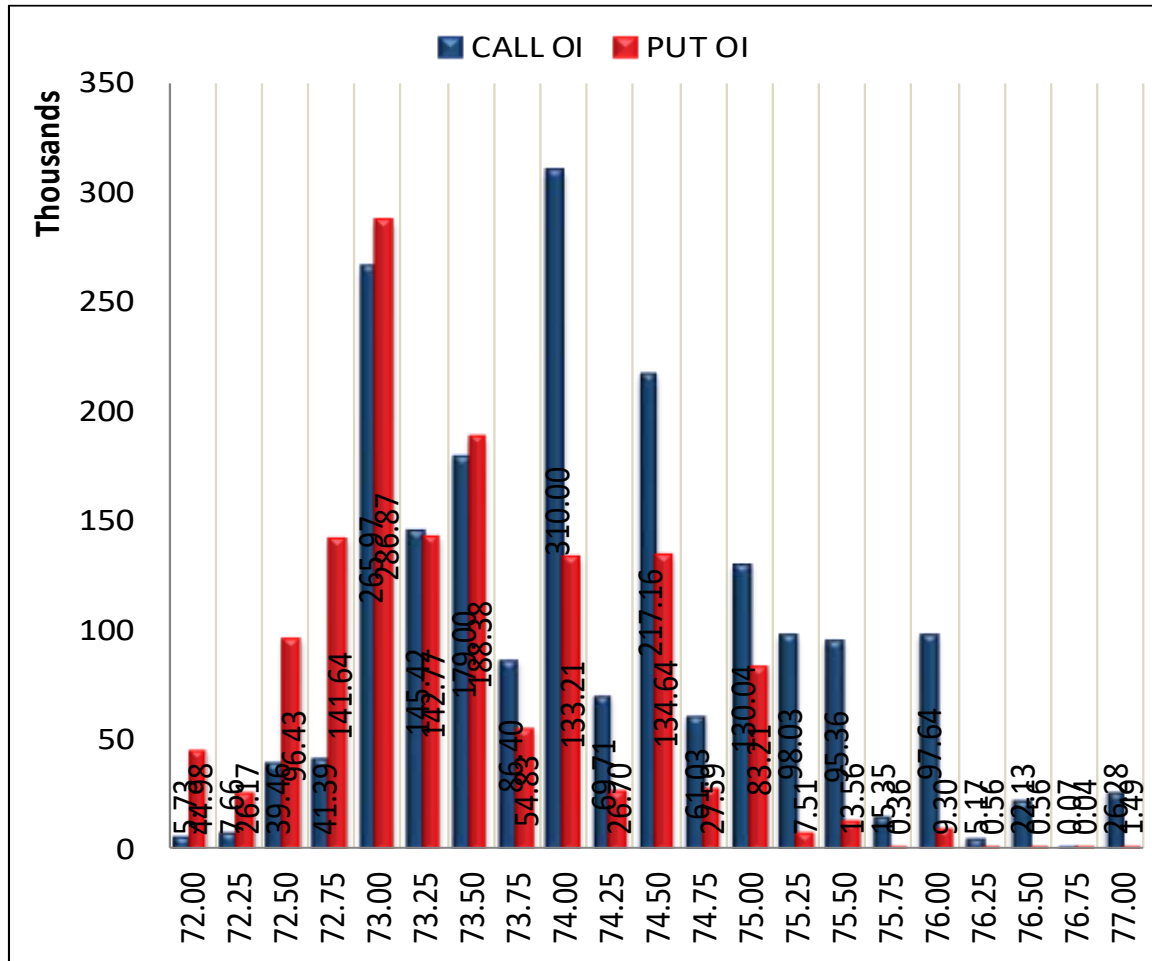
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future May21	72.8500	73.0375	72.8500	72.9725	0.14	2139104	-150440	1673235	-507972
NSE EURINR Future May21	88.6950	89.1850	88.6950	89.0950	0.03	70161	-29954	167600	26139
NSE GBPINR Future May21	103.2775	103.3475	103.0225	103.1200	-0.43	78987	-23812	254353	12159
NSE JPYINR Future May21	66.9800	67.1225	66.9425	67.0175	-0.07	18348	-2122	25381	-1042
NSE EURUSD Fut May21	1.2195	1.2216	1.2180	1.2208	-0.11	3114	-200	1301	329
NSE GBPUSD Fut May21	1.4165	1.4170	1.4116	1.4128	-0.57	3552	-14	3490	2230
NSE USDJPY Fut May21	108.78	108.93	108.69	108.91	0.22	77	-10	34	14

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	72.97	72.95	72.48	72.77	72.87	73.06	73.14	73.24	73.09	73.84
NSE EURINR Future May21	89.10	88.99	87.72	88.50	88.80	89.29	89.48	89.78	89.24	89.52
NSE GBPINR Future May21	103.12	103.16	102.37	102.84	102.98	103.30	103.49	103.63	103.53	103.51
NSE JPYINR Future May21	67.02	67.03	66.58	66.85	66.93	67.11	67.21	67.29	67.09	67.81
NSE EURUSD Fut May21	1.2208	1.2201	1.2108	1.2165	1.2187	1.2223	1.2237	1.2259	1.2207	1.2124
NSE GBPUSD Fut May21	1.4128	1.4138	1.4008	1.4084	1.4106	1.4160	1.4192	1.4214	1.41628	1.401655
NSE USDJPY Fut May21	108.91	108.84	108.21	108.60	108.76	109.00	109.08	109.24	108.93	108.90

USDINR May Month Option Distribution



HDFC securities Retail Research: Currency Daily

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