

HDFC securities Retail Research Currency Daily

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Analyst:
Dilip Parmar
dilip.parmar@hdfcsec.com



Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	72.7762	72.9650	-0.1888	-0.26%
DXY Index*	90.1560	89.6390	0.5170	0.58%
EURUSD*	1.2183	1.2255	-0.0072	-0.59%
GBPUSD*	1.4097	1.4166	-0.0069	-0.49%
USDJPY*	109.14	108.90	0.24	0.22%
USDINR 1M NDF*	73.04	73.18	-0.1400	-0.19%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	15301.5	15208.5	93.0	0.61%
Sensex	51017.5	50637.5	380.0	0.75%
Hang-Seng	29166.0	28910.9	255.1	0.88%
Nikkei	28375.4	28642.2	-266.8	-0.93%
Shanghai	3593.4	3581.3	12.0	0.34%
S&P Index	4196.0	4188.1	7.9	0.19%
Dow Jones	34323.1	34312.5	10.6	0.03%
Nasdaq	13738.0	13657.2	80.8	0.59%
FTSE	7026.9	7029.8	-2.9	-0.04%
CAC	6391.6	6390.3	1.3	0.02%
DAX	15450.7	15465.1	-14.4	-0.09%

* Prev. Close 5pm IST

Rupee To Open Higher On Month End Dollar Inflows

- » Rupee expected to open slightly higher against stronger dollar following expectation of dollar inflows through MSCI and FTSE rebalancing. Rupee has outperformed so far this month following inflows and weaker dollar index. Expectation of re-opening of economy from June 1 week also could be the trigger for rupee bulls as virus cases showing decline in last couple of days.
- » On Tuesday, spot USDINR closed at 72.78 with loss of 19 paise, a day before holiday of Buddha Purnima. Today, we could see the pair opening with loss of 14 paise following non deliverable prices of USDINR.
- » Technically, spot USDINR is having support around 72.30 and resistance at 73.30.
- » There is a modest risk-off tone across Asian assets on Thursday with the dollar slightly firmer and Chinese equities lower. Asian stocks are set for a steady open after gains in U.S. shares tied to the economic reopening from the pandemic. The dollar climbed with Treasury yields.
- » A key Federal Reserve policy maker said on Wednesday that it will be important for the central bank to begin discussing in coming months plans to reduce its massive bond purchases if the economy continues to power ahead.
- » All eyes will be on how much further dollar-yuan will extend on the downside and the strength of China's equity rally.
- » The U.S. is entering a period of intense competition with China as its government becomes ever more tightly controlled by President Xi Jinping, the White House's top official for Asia said. "The period that was broadly described as engagement has come to an end," Kurt Campbell. His remarks came as Joe Biden ordered the U.S. intelligence community to determine where the Covid-19 virus came from, after conflicting assessments of whether its origins are natural or from a lab accident in China.

USDINR June Daily Chart



Technical Observations:

- » USDINR June futures traded lower and erased most of the gains of previous two months.
- » RSI placed at 30 odd level and heading towards oversold zone suggesting weaker momentum.
- » ADX line turned upwards with -DI placed above +DI suggesting continuation of downtrend.
- » USDINR June futures expected to trade with bearish bias and selling below 72.78 push towards 72.40 level while 73.60 remains near term resistance.

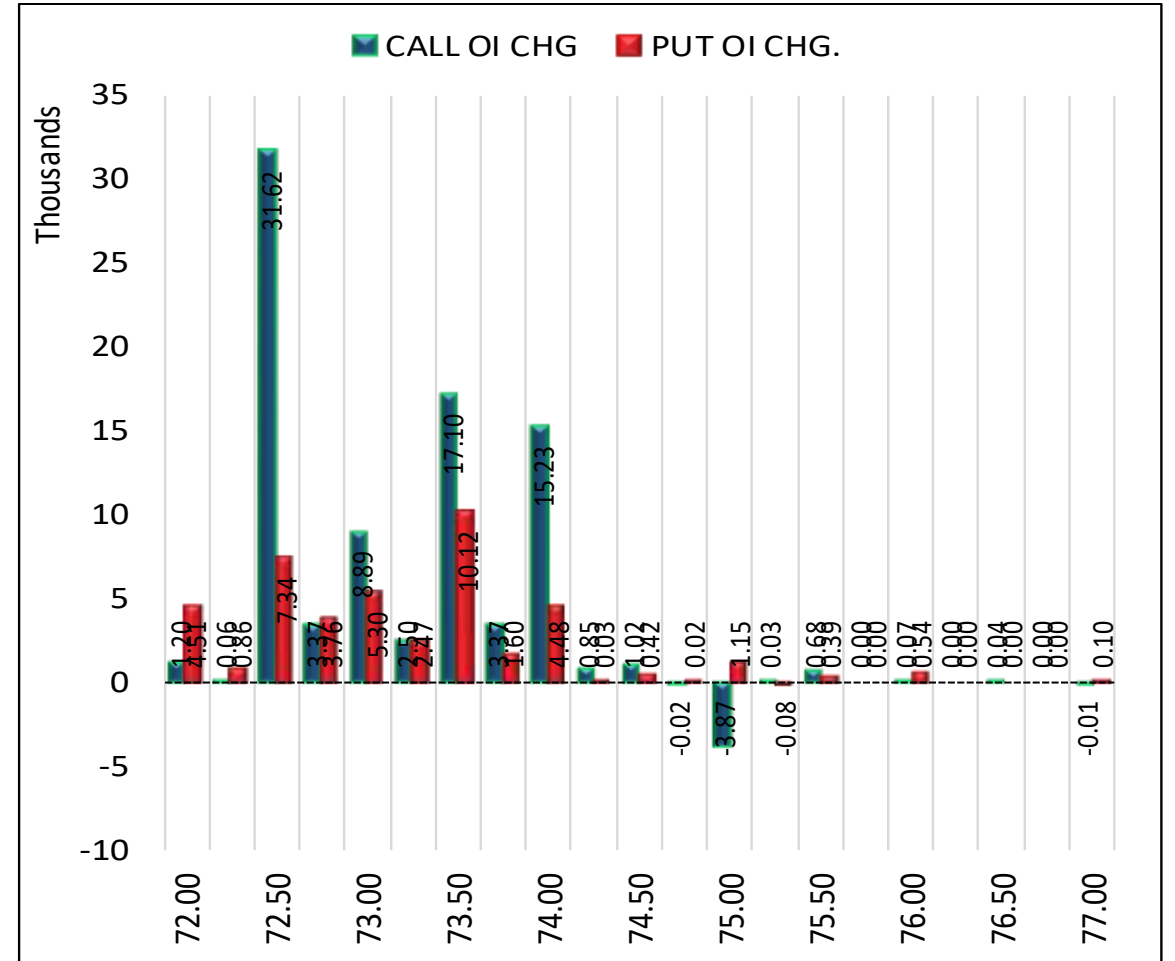
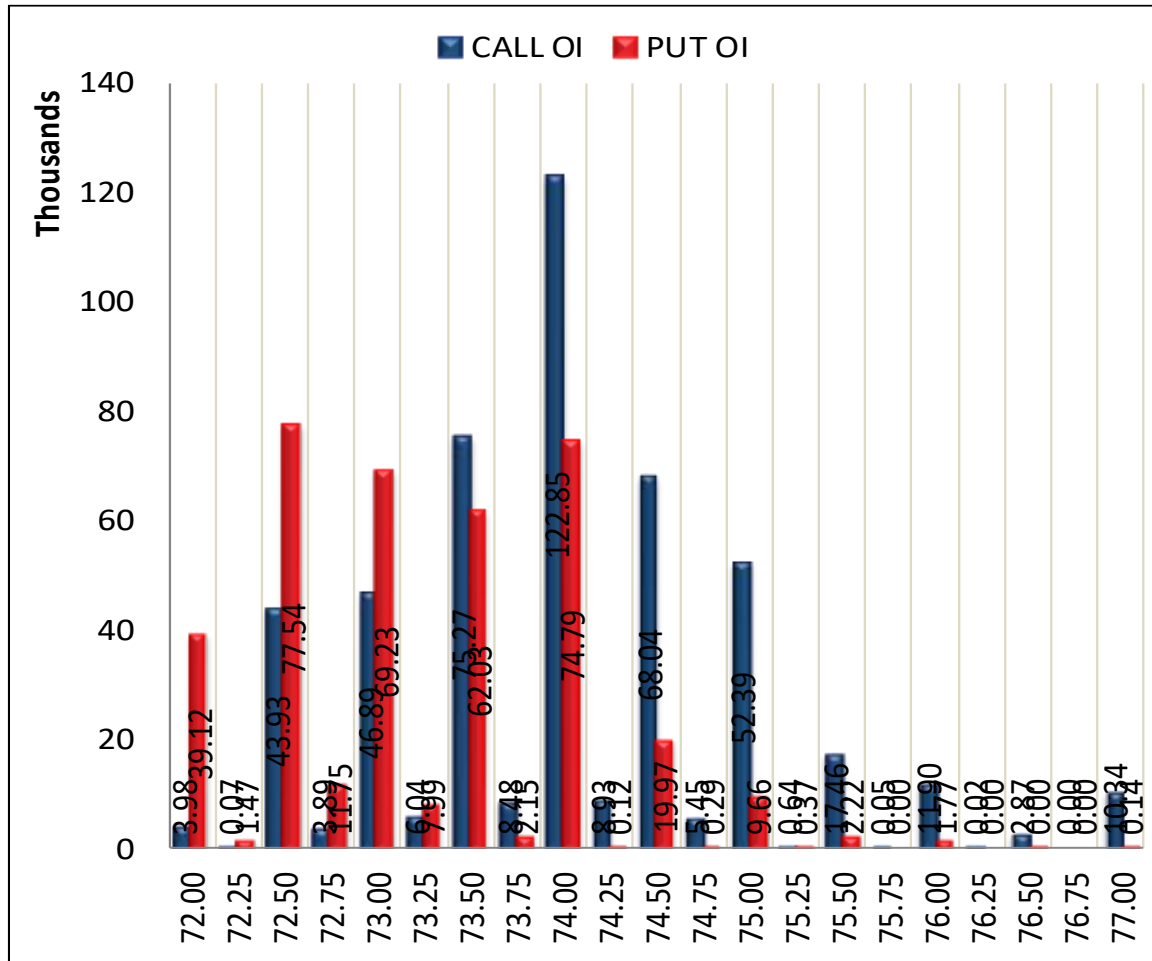
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Jun21	73.2625	73.2825	73.1400	73.1700	-0.21	1724537	268934	1194943	531807
NSE EURINR Future Jun21	89.5600	89.7450	89.5000	89.6550	0.13	93751	16348	52516	7688
NSE GBPINR Future Jun21	103.8000	103.9475	103.5250	103.5725	0.00	110712	15518	87058	10007
NSE JPYINR Future Jun21	67.3600	67.4250	67.1775	67.1950	-0.21	12922	2847	11580	4583
NSE EURUSD Fut Jun21	1.2219	1.2260	1.2217	1.2246	0.76	1332	1170	1324	1256
NSE GBPUSD Fut Jun21	1.4164	1.4195	1.4150	1.4154	0.18	552	145	406	108
NSE USDJPY Fut Jun21	108.74	108.91	108.46	108.88	-0.08	15	9	20	#VALUE!

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 Jun21	73.17	73.20	72.86	73.06	73.11	73.26	73.34	73.40	73.39	74.09
NSE EURINR Future Jun21	89.66	89.63	89.01	89.39	89.52	89.77	89.88	90.01	89.66	89.90
NSE GBPINR Future Jun21	103.57	103.68	102.68	103.26	103.42	103.84	104.10	104.26	103.86	103.92
NSE JPYINR Future Jun21	67.20	67.27	66.68	67.02	67.11	67.35	67.51	67.60	67.38	68.00
NSE EURUSD Fut Jun21	1.2246	1.2241	1.2131	1.2198	1.2222	1.2265	1.2284	1.2308	1.2210	1.2135
NSE GBPUSD Fut Jun21	1.4154	1.4166	1.4060	1.4121	1.4138	1.4183	1.4211	1.4228	1.41544	1.40306
NSE USDJPY Fut Jun21	108.88	108.75	107.56	108.30	108.59	109.04	109.20	109.49	108.96	108.99

USDINR June 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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