

HDFC securities Retail Research Currency Daily

30 September 2021

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Currency Movements

Particular	Current Price	Prev. Close	Chg.	% Chg.
USDINR	74.1500	74.0462	0.1038	0.14%
DXY Index*	94.3010	93.9680	0.3330	0.35%
EURUSD*	1.1605	1.1644	-0.0039	-0.33%
GBPUSD*	1.3445	1.3474	-0.0029	-0.22%
USDJPY*	111.83	111.43	0.40	0.36%
USDINR 1M NDF*	74.59	74.49	0.10	0.13%

Global Equity Markets

Particular	Current Price	Prev. Close	Chg.	% Chg.
Nifty	17711.3	17748.6	-37.30	-0.21%
Sensex	59413.3	59667.6	-254.33	-0.43%
Hang-Seng	24429.5	24663.5	-234.02	-0.95%
Nikkei	29427.1	29544.3	-117.20	-0.40%
Shanghai	3545.4	3536.3	9.09	0.26%
S&P Index	4359.5	4352.6	6.83	0.16%
Dow Jones	34390.7	34300.0	90.73	0.26%
Nasdaq	14512.4	14546.7	-34.24	-0.24%
FTSE	7108.2	7028.1	80.06	1.14%
CAC	6560.8	6506.5	54.30	0.83%
DAX	15365.3	15248.6	116.71	0.77%

* Prev. Close 5pm IST

Dollar Bulls Cheer the Rally

- »» Indian Rupee depreciated for the fourth day in row following stronger dollar and crude oil prices while equities remain lower. The foreign fund outflows also weighed on local unit. The dollar rose to the highest since November as investors opted for safe havens, Treasury yields were little changed near the highest since June.
- »» Spot USDINR ended at 74.15 up 10 paise. The pair has resistance at 74.50 and support at 73.80. Near term bias remains bullish for the pair following broad based strength in dollar index and foreign fund outflows.
- »» Indian bonds gain amid an overnight retreat in crude prices and ahead of Thursday's Operation Twist, where the central plans to buy longer-dated debt and sell similar amount of shorter notes. The 10-year yield falls 2bps to 6.21% and 5-year yield drops 3bps to 5.65%.
- »» Dollar bulls will cheer the greenback, which has tended to strengthen in October-- by about 1% on average over the last 10 years, based on the Bloomberg Dollar Spot Index.
- »» Asian stocks looked set for a muted open after U.S. equities pared most of their gains as a rally in tech shares petered out. After a stormy September, the seasonal winds look kinder for risk assets, if historical patterns are a guide. Over the last 10 years, emerging-market stocks have led an October charge posting an average 2.6% return, with shares in the U.S. and other developed markets also climbing.
- »» Federal Reserve Chair Jerome Powell and his counterparts at the European Central Bank, Bank of Japan and Bank of England voiced cautious optimism Wednesday that supply-chain disruptions lifting inflation rates around the world would ultimately prove temporary.

USDINR October Daily Chart



Technical Observations:

- » USDINR October futures formed higher highs and lows on daily chart.
- » The pair is having falling trend line resistance around 74.75.
- » It has crossed the 55 days exponential moving averages.
- » Momentum oscillator, Relative Strength Index of 14 days headed north and currently placed at 60 suggesting upward momentum in the pair.
- » MACD about to cross the zero line while histogram started forming bigger blocks indicating upward trend.
- » USDINR October futures likely to trade higher with intraday resistance near 74.75 and support at 74.40.
- » Near term bias remains bullish and break-out above 74.75 will confirm medium term trend reversal.

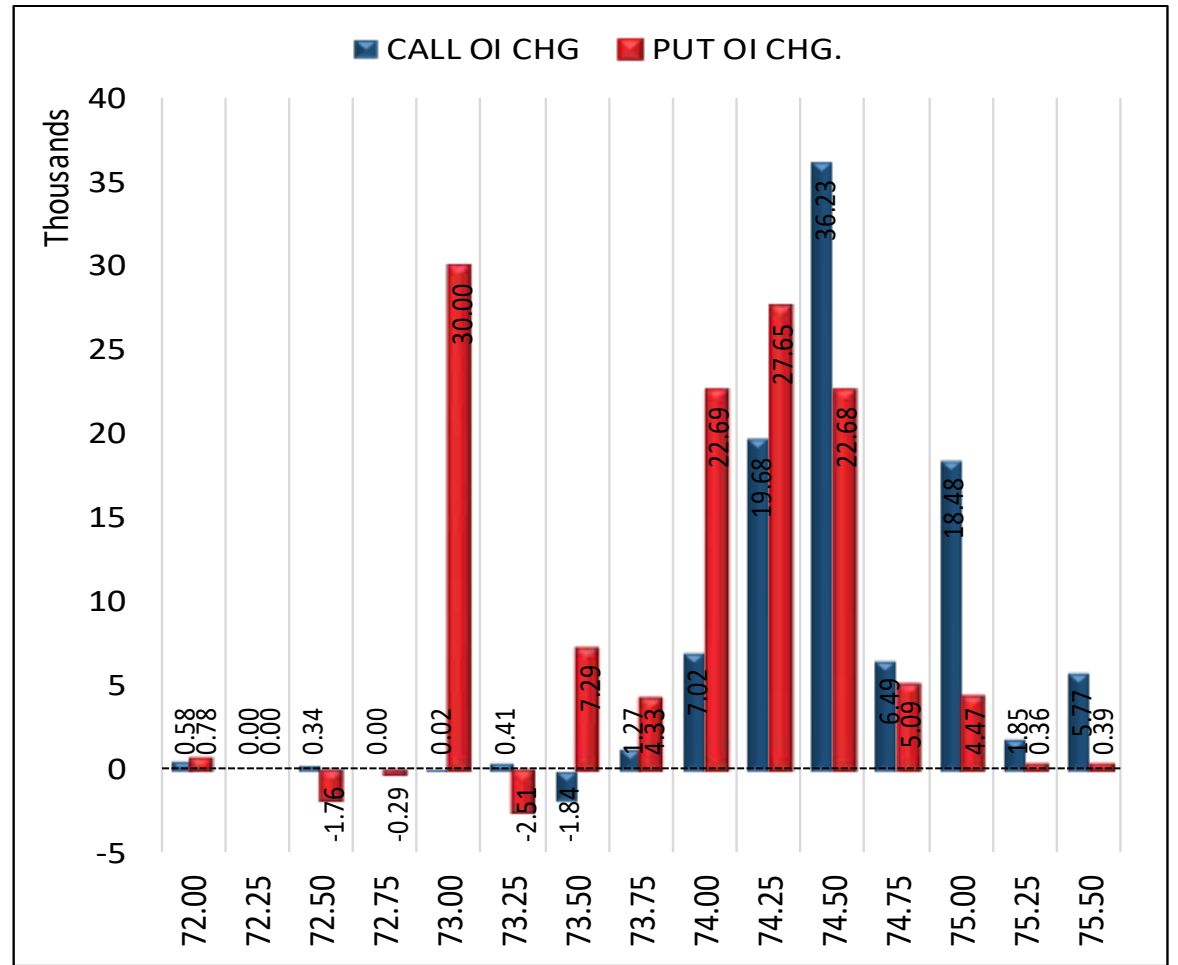
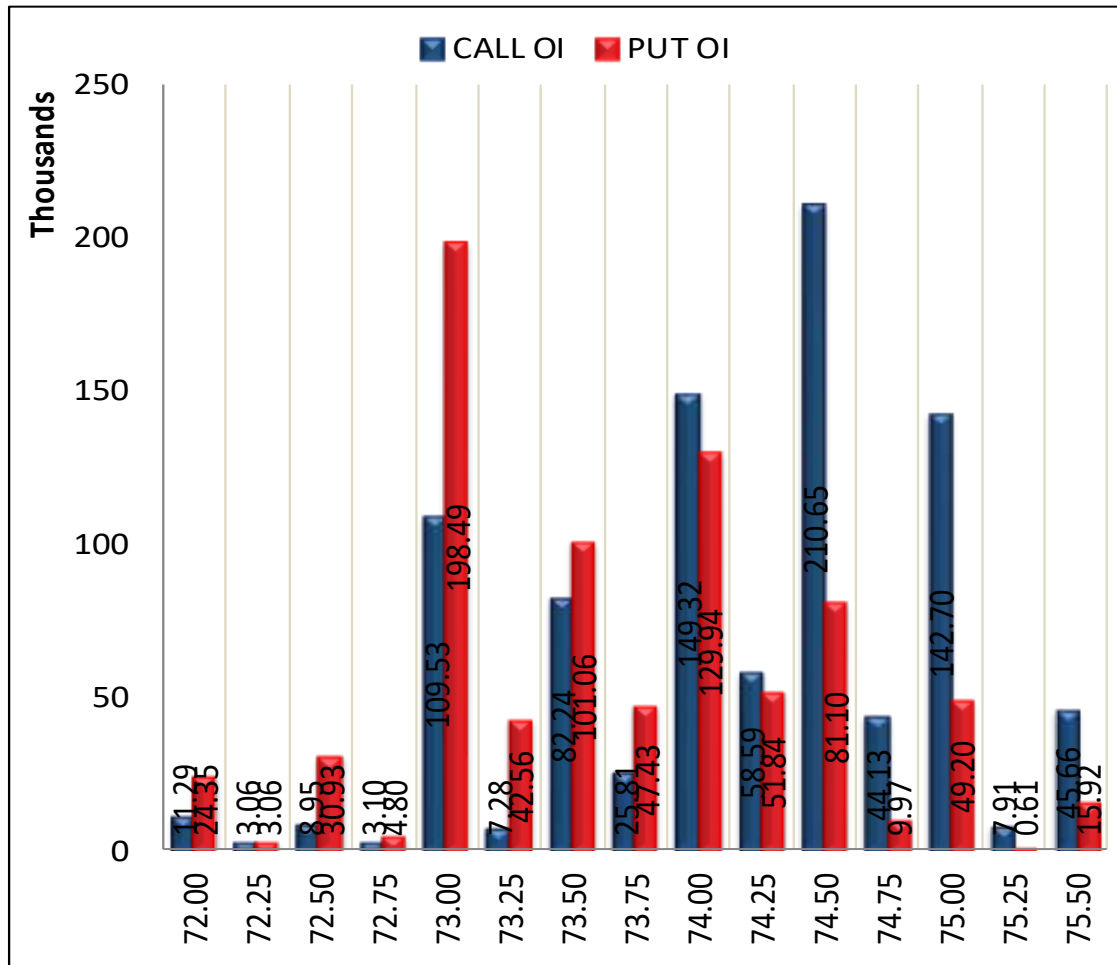
Currency Derivative Price Actions

Currency Pairs	Open	High	Low	Close	Chg.	Open Interest	Chg. In OI	Volume	Chg.in Volume
NSE INRUSD Future Oct21	74.3300	74.4800	74.2900	74.4350	0.15	1748209	46349	2585446	-538728
NSE EURINR Future Oct21	86.9100	87.0000	86.7250	86.7625	-0.14	92044	5602	178001	-59529
NSE GBPINR Future Oct21	100.8150	100.8425	100.3550	100.4000	-0.74	187431	76919	349243	9918
NSE JPYINR Future Oct21	66.7400	66.9425	66.7000	66.8550	0.17	37289	-4757	74370	-22365
NSE EURUSD Fut Oct21	1.1690	1.1696	1.1651	1.1665	-0.23	4278	246	1691	-1779
NSE GBPUSD Fut Oct21	1.3650	1.3650	1.3482	1.3498	-0.82	4944	2424	5587	2513
NSE USDJPY Fut Oct21	111.34	111.42	111.17	111.35	0.03	1025	51	84	-444

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 Oct21	74.44	74.40	73.91	74.21	74.32	74.51	74.59	74.70	74.15	73.87
NSE EURINR Future Oct21	86.76	86.83	86.18	86.55	86.66	86.93	87.10	87.21	86.78	87.06
NSE GBPINR Future Oct21	100.40	100.53	99.38	100.05	100.22	100.71	101.02	101.20	101.12	101.56
NSE JPYINR Future Oct21	66.86	66.83	66.22	66.59	66.72	66.97	67.08	67.21	66.94	67.14
NSE EURUSD Fut Oct21	1.1665	1.1671	1.1561	1.1626	1.1645	1.1690	1.1716	1.1735	1.1710	1.1783
NSE GBPUSD Fut Oct21	1.3498	1.3543	1.3146	1.3375	1.3437	1.3605	1.3711	1.3773	1.36404	1.373805
NSE USDJPY Fut Oct21	111.35	111.31	110.67	111.06	111.21	111.46	111.56	111.71	110.77	109.97

USDINR October Month Option Distribution



HDFC securities Retail Research: Currency Daily

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