

# HDFC Securities Retail Research

## Currency Insights Weekly

15 April 2024



## Currency Movements

Name	12-Apr-24	05-Apr-24	Change	% Change
Spot USDINR	83.42	83.29	0.121	0.15%
DXY Index	106.04	104.30	1.740	1.67%
EURUSD	1.0643	1.0837	-0.019	-1.79%
GBPUSD	1.2452	1.2638	-0.019	-1.47%
USDJPY	153.23	151.62	1.610	1.06%
USDCNH	7.267	7.248	0.019	0.27%
USDINR 1M FWD	83.67	83.38	0.290	0.35%
India 10 Yr. Yield	7.179	7.122	0.057	0.80%
US 10 Yr. Yield	4.5216	4.4016	0.120	2.73%

## Global Indices

Name	12-Apr-24	05-Apr-24	Change	% Change
Nifty	22519.4	22513.7	6	0.03%
Sensex	74244.9	74248.2	-3	0.00%
Hang Seng	16721.7	16723.9	-2	-0.01%
Nikkei	39523.6	38992.1	531	1.36%
S&P Index	5123.4	5204.3	-81	-1.56%
Dow Jones	37983.2	38904.0	-921	-2.37%
Nasdaq	18003.5	18108.5	-105	-0.58%
FTSE	7995.6	7911.2	84	1.07%
CAC	8010.8	8061.3	-50	-0.63%
DAX	17930.3	18175.0	-245	-1.35%

## Market Round-up

- The Indian rupee remained under pressure following geopolitical uncertainties and foreign fund outflows. The surging commodity prices and weaker Asian currencies also weighed the local rupee. The weakening of the Chinese yuan and Japanese Yen will impact the global forex markets.
- Indian currency traders will keep a close eye on developments in the Middle East as leaders strive to avert war after an attack by Iran on Israel. Higher crude oil prices are a key risk for the net energy importer, adding to concerns as a heat wave across the nation may keep food prices elevated.
- In the week gone, spot USDINR gained 12 paise or 0.15% to 83.42. Technically, the pair is expected to head north towards 83.50. The pair has support in the area of 82.90 to 83 while the higher side, 83.70 to 84 will act as a supply zone.
- This week again will be a holiday shortened as the Indian market will remain closed on Wednesday.
- **Key Developments:**
  - Shares in Asia slipped to a six-week-low as traders grappled with tensions in the Middle East, disappointing bank earnings and the prospect of the Federal Reserve keeping interest rates higher for longer.
  - The ongoing tension between Israel and Iran triggered a safe-haven bid that encouraged the dollar's momentum. The dollar index marked the best weekly gain since November 14. The expectations were lifted by the hotter US consumer inflation figures, which remain supportive of elevated US Treasury bond yields and continue to boost the dollar.
  - Most Group-of-10 currencies strengthened against the greenback Monday while Treasuries were little changed in Asia after yields slipped in the previous session.
  - The escalation of the Middle East crisis may inject fresh volatility into markets. As the conflict widens, many say oil could surpass \$100 a barrel and expect a flight to Treasuries, gold and the dollar, along with further stock-market losses.

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