

HDFC securities Retail Research

Currency Daily

10 October 2023



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.270	83.248	0.022	0.03%
DXY Index	106.02	106.45	-0.436	-0.41%
EURUSD	1.0574	1.0538	0.004	0.34%
GBPUSD	1.2244	1.2176	0.007	0.56%
USDJPY	148.56	149.14	-0.580	-0.39%
USDCNH	7.2807	7.293	-0.012	-0.17%
US 10 Yr. Yield	4.636	4.801	-0.165	-3.43%
USDINR 1M FWD	83.370	83.410	-0.040	-0.05%
India 10 Yr. Yield	7.381	7.344	0.037	0.50%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	19512	19654	-141	-0.72%
Sensex	65512	65996	-483	-0.73%
Hang Seng	17819	17517	302	1.72%
Nikkie	31712	30995	717	2.31%
Shanghai	3088	3097	-9	-0.30%
S&P Index	4336	4309	27	0.63%
Dow Jones	33605	33408	197	0.59%
Nasdaq	15047	14973	74	0.49%
FTSE	7492	7495	-2	-0.03%
CAC	7021	7060	-39	-0.55%
DAX	15128	15230	-102	-0.67%

* Prev. Close 5pm IST

Market Roundup

- ▶ The Indian rupee is expected to open slightly higher in line with the Asian currencies. The strength in the equities and the retreat of crude oil prices are likely to support the rupee.
- ▶ On Monday, spot USDINR traded on a flat line before settling at 83.27 with gain of a 2 paise from Friday's close. The expectation central bank's intervention has limited the price action in the pair. Technically, the pair has been facing stiff resistance at 83.30 and holding support of 83. The near-term trend in the pair remains neutral or sideways within the range of 83.35 to 83.
- ▶ Asian shares advanced while Treasuries jumped following comments on rates from Federal Reserve officials that fueled speculation the US central bank may stand pat until year-end.
- ▶ Wall Street ended higher on Monday, as markets shook off fears of the conflict between Hamas and Israel. The US dollar had a mixed performance, though mostly weaker against most of the major currencies. The ICE Dollar index rose by less than 0.1% to 106.083. The dollar fell after two Federal Reserve officials suggested a cautious policy approach amid higher long-term Treasury yields. In the Asian trading session, it witnessed selling pressure and is currently trading at 106.02.
- ▶ Meanwhile, oil retreated slightly in Asian hours. Crude had jumped by the most in six months Monday as Hamas' attack on Israel raised fears of a wider conflict that could constrain energy supplies. Gold extended its climb into a third day.
- ▶ With the Asia calendar quiet for today, attention will also be on the release of the International Monetary Fund's (IMF) updated World Economic Outlook (WEO) and Global Financial Stability reports. In its Jul 2023 WEO update, IMF projected global growth to slow to 3.0% in both 2023 and 2024 (from 3.5% in 2022), while global headline inflation is projected to ease from 8.7% in 2022 to 6.8% in 2023 and further to 5.2% in 2024, adding that core inflation will decline more gradually.

USDINR Oct Futures Hourly Chart



Technical Observations:

- ▶ USDINR Oct fut. has been hovering around a downward sloping trendline adjoining the previous swing high of 83.48 and 83.41.
- ▶ The pair has been placed well below the short-term moving average of 21 days.
- ▶ Momentum Oscillator, RSI of 14 hours is placed above 50 and flattening indicating sideways trend.
- ▶ MACD has been placed at zero line and stayed below the moving average.
- ▶ Long buildup has been seen as price along with open interest rose.
- ▶ **Short Term Trend: Sideways**
- ▶ **Expected Trading Range: 83.05 to 83.45**
- ▶ **Intraday Recommendation: Sell USDINR Oct. Fut. Below 83.25 SL 83.40 Target 83.05**

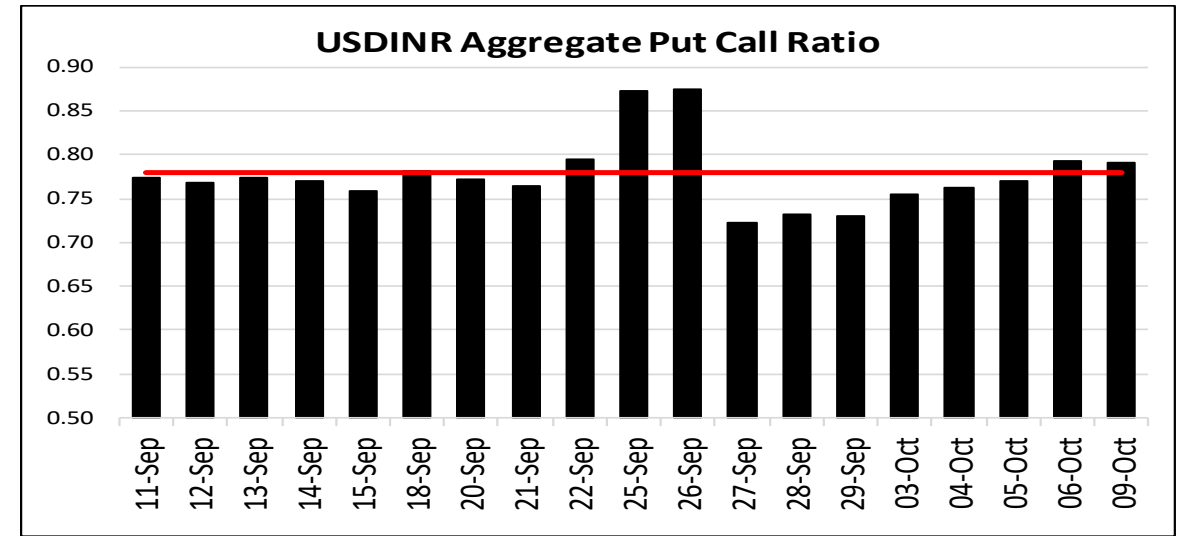
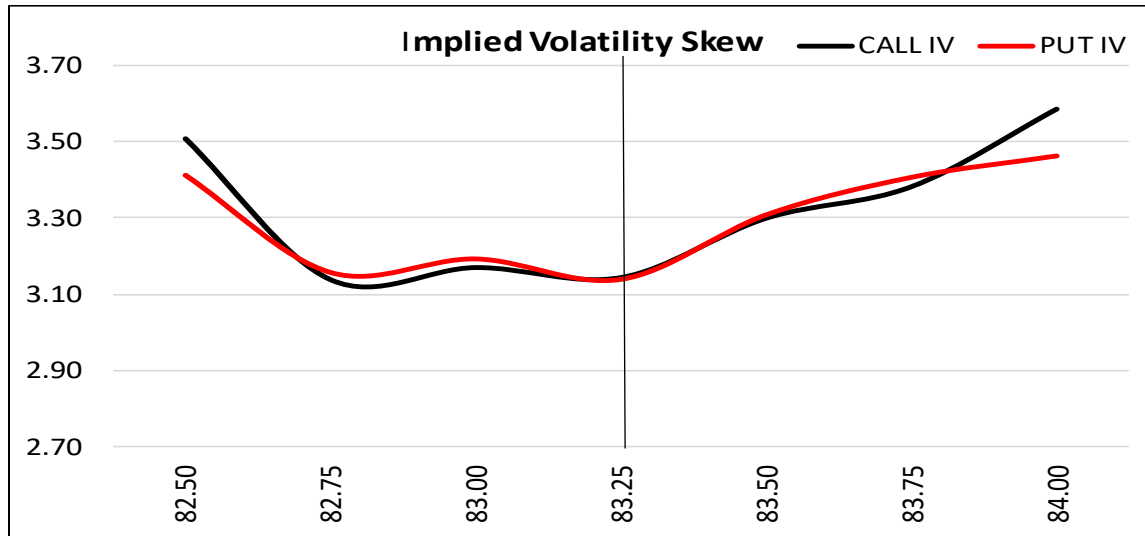
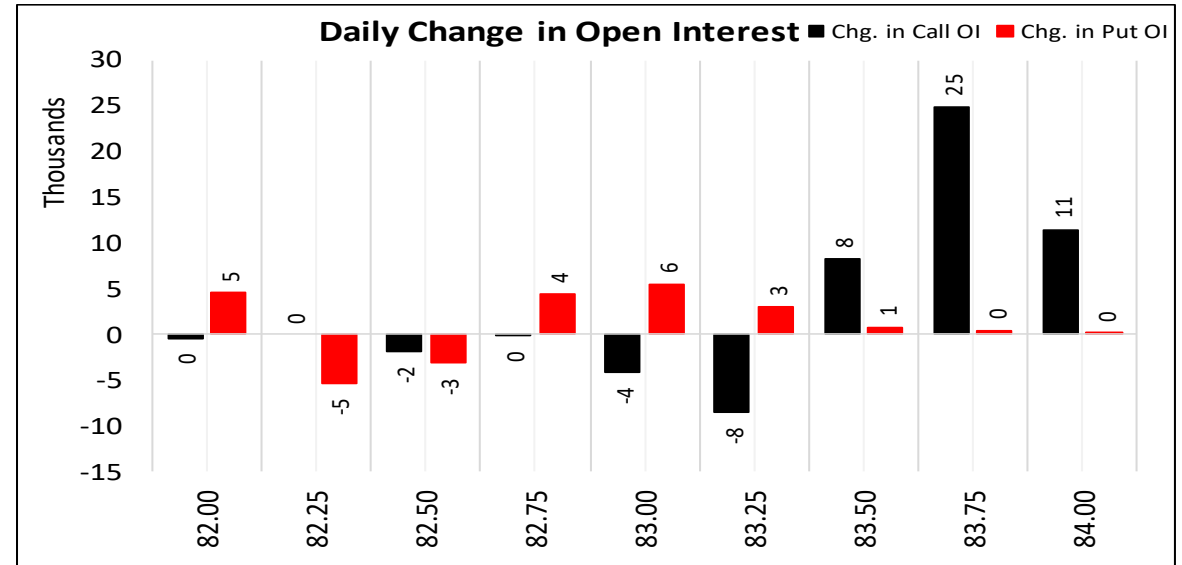
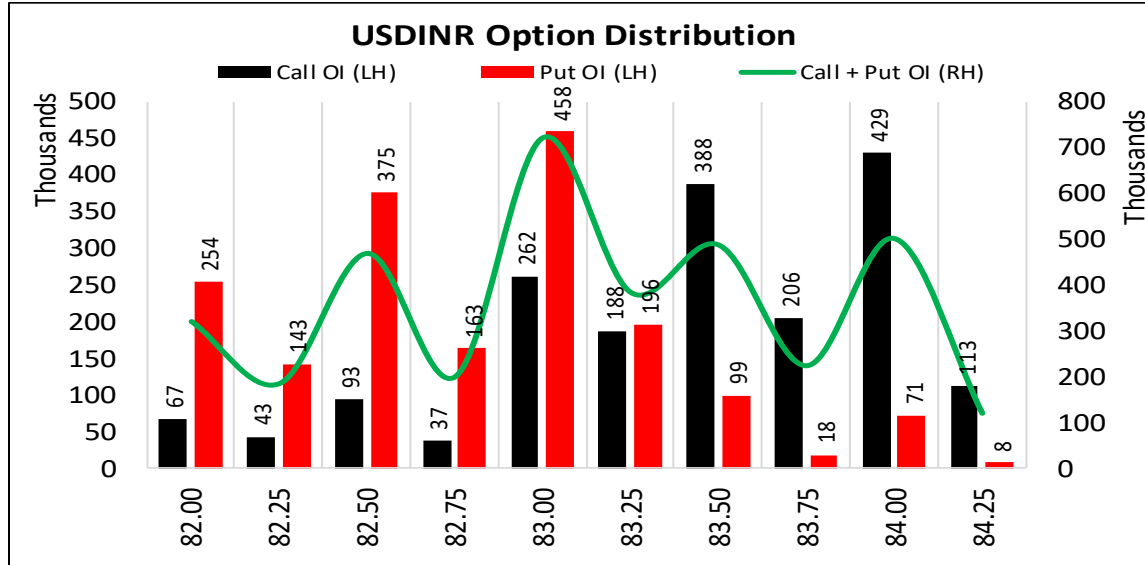
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Oct Fut	83.3000	83.3500	83.2750	83.3425	0.07%	5,505,468	3.9%	7,282,848	3.2%	1,596,789	-9.6%
EURINR Oct Fut	87.9575	88.0625	87.7350	87.8600	-0.14%	121,780	-3.0%	162,214	-1.2%	122,957	-0.3%
GBPINR Oct Fut	101.5200	101.8250	101.4025	101.4700	-0.22%	179,072	-5.8%	232,144	-4.2%	171,532	6.0%
JPYINR Oct Fut	56.1250	56.1400	56.0275	56.1075	0.01%	127,327	1.6%	150,315	2.1%	22,439	-46.4%
EURUSD Oct Fut	1.0565	1.0569	1.0536	1.0545	-0.23%	2,932	12.1%	3,447	10.1%	715	-19.6%
GBPUSD Oct Fut	1.2205	1.2212	1.2175	1.2181	-0.24%	746	1.5%	752	1.6%	50	-7.4%
USDJPY Oct Fut	148.44	148.59	148.43	148.43	-0.05%	1,482	-0.9%	1,482	-0.9%	197	189.7%

Technical Levels

Currency Pair	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Oct Fut	83.34	83.32	83.17	83.25	83.30	83.37	83.40	83.47	83.32	83.25	56.00
EURINR Oct Fut	87.86	87.89	87.23	87.56	87.71	88.04	88.21	88.54	87.73	88.56	36.80
GBPINR Oct Fut	101.47	101.57	100.72	101.14	101.31	101.73	101.99	102.41	101.20	102.36	38.05
JPYINR Oct Fut	56.11	56.09	55.87	55.98	56.04	56.16	56.20	56.32	56.10	56.52	32.60
EURUSD Oct Fut	1.0545	1.0550	1.0484	1.0517	1.0531	1.0564	1.0583	1.0616	1.0534	1.0641	36.74
GBPUSD Oct Fut	1.2181	1.2189	1.2115	1.2152	1.2167	1.2204	1.2226	1.2263	1.2144	1.2290	38.34
USDJPY Oct Fut	148.43	148.48	148.16	148.32	148.38	148.54	148.64	148.80	148.48	147.43	65.96

USDINR Oct Month Option Charts



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