

# HDFC securities Retail Research

## Currency Daily

21 May 2024



## Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.334	83.496	-0.162	-0.19%
DXY Index	104.62	104.57	0.06	0.06%
EURUSD	1.0855	1.086	0.000	-0.02%
GBPUSD	1.2701	1.271	0.000	-0.04%
USDJPY	156.48	156.26	0.220	0.14%
USDCNH	7.2489	7.247	0.002	0.03%
US 10 Yr. Yield	4.443	4.443	0.000	0.00%
USDINR 1M FWD	83.42	83.39	0.03	0.04%
India 10 Yr. Yield	7.092	7.076	0.016	0.23%

## Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	22502	22466	36	0.16%
Sensex	74006	73917	89	0.12%
Hang Seng	19464	19636	-172	-0.88%
Nikkie	39173	39070	103	0.26%
Shanghai	3164	3171	-7	-0.23%
S&P Index	5308	5303	5	0.09%
Dow Jones	39807	40004	-197	-0.49%
Nasdaq	18674	18546	128	0.69%
FTSE	8424	8420	4	0.05%
CAC	8196	8168	28	0.35%
DAX	18769	18704	65	0.35%

## Market Roundup

- ▶ The Indian rupee is expected to open on a flat note after Friday's rally. The calmness in the stateside and risk-on markets will support the rupee, but the worries over higher imported commodity prices might limit the upside. On the positive front, we will see bond inflows from MSCI global bond index inclusion and the expectation of early monsoon giving the currency an upward push. *In the near term, spot USDINR may find support at 83.20 and get resistance at 83.60.*
- ▶ India's foreign exchange reserves surged by \$2.56 billion to \$644.15 billion during the week ended May 10, the latest data released by the RBI showed on Friday. This is the second consecutive week during which the country's forex kitty has expanded after registering a \$3.66 billion rise to \$641.59 billion for the week ended on May 3.
- ▶ **Forex:**
  - The greenback firmed Monday, tracking a rise in US Treasury yields after Fed speakers affirm that policy remains restrictive. The dollar index last quoted at 104.62 with a small gain. The yield on 10-year Treasuries firms two basis points to 4.44%, partly buoyed by corporate deal flow.
  - Fed Vice Chair Philip Jefferson said April's inflation reading was encouraging, but that it is too early to tell if disinflation will last
  - ECB Governing Council member Martins Kazaks said the pace of interest-rate cuts must match the gradual slowdown of euro-area inflation.
  - The Bank of England will be able to cut interest rates "some time over the summer" if the second round inflation pressures drop away as expected, Deputy Governor Ben Broadbent said
- ▶ **Equities:**
  - Asian shares took a breather on Tuesday after seven days of gains, and a gauge of commodities reached a 15-month.
  - In the Middle East, developments in Iran and Saudi Arabia have the potential to shape the trajectory of the crisis-plagued region for years to come.
- ▶ **Commodities:**
  - In commodities, Crude oil prices remained range bound despite rising geopolitical tensions while metals, precious and base, rallied.

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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: Murli V Karkera Email: [complianceofficer@hdfcsec.com](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600

For grievance redressal contact Customer Care Team Email: [customercare@hdfcsec.com](mailto:customercare@hdfcsec.com) Phone: (022) 3901 9400

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