

HDFC securities Retail Research

Currency Daily

30 July 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.738	83.728	0.010	0.01%
DXY Index	104.64	104.56	0.08	0.08%
EURUSD	1.0816	1.082	-0.001	-0.05%
GBPUSD	1.2848	1.286	-0.001	-0.11%
USDJPY	153.97	154.02	-0.050	-0.03%
USDCNH	7.2733	7.272	0.002	0.02%
US 10 Yr. Yield	4.180	4.174	0.006	0.14%
USDINR 1M FWD	83.83	83.82	0.01	0.01%
India 10 Yr. Yield	6.918	6.942	-0.024	-0.35%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	24836	24835	1	0.01%
Sensex	81356	81333	23	0.03%
Hang Seng	17194	17238	-44	-0.26%
Nikkie	38312	38469	-157	-0.41%
Shanghai	2892	2891	1	0.03%
S&P Index	5464	5459	4	0.08%
Dow Jones	40540	40589	-49	-0.12%
Nasdaq	19059	19024	36	0.19%
FTSE	8292	8286	7	0.08%
CAC	7444	7518	-74	-0.98%
DAX	18321	18418	-97	-0.53%

Market Roundup

- ▶ The Indian rupee is expected to head south following the Asian currencies and stronger greenback. The forward markets suggest that spot USDINR could open a paise higher to 83.75. The rupee has been weakening following the central bank's intervention.
- ▶ Indian bond yields fell to their lowest level in more than two years, tracking declines in US Treasury yields spurred by expectations that FOMC may signal interest-rate cuts in the coming months. 10-year yields declined 2bps to 6.92% the lowest since April 2022.
- ▶ On Monday, spot USDINR gained 1 paise to 83.74. Technically, the pair has resistance at 83.85 and support at 83.55.
- ▶ *BOJ Governor Kazuo Ueda will have investors on high alert Wednesday when he lays out a detailed plan for quantitative tightening after years of massive easing. He may also double down by adding an interest-rate hike.*
- ▶ *Markets are pricing in a roughly 50-50 possibility that the Bank of England may start cutting interest rates as early as Thursday*
- ▶ **Forex:**
 - The greenback reached a two-week high, supported by month-end flows ahead of a two-day Federal Reserve meeting where traders are anticipating a signal that the central bank is closer to cutting interest rates.
 - Euro is weighed down by lower European yields ahead of CPI data Tuesday, cross-related sales and month-end flows.
- ▶ **Equities:**
 - Asian stocks fell amid speculation investors are trimming some of their holdings before a rush of events in the coming days including major central bank decisions, key economic data and earnings from US megacap companies.
- ▶ **Commodities:**
 - Oil was little changed near a seven-week low on a shaky demand outlook, especially in China. Gold retreated as the dollar pushed higher. The Bloomberg Commodity Index dipped to its lowest level since 2021.

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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 Phone: (022) 3045 3600

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

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