

HDFC securities Retail Research

Currency Daily

31 July 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.725	83.738	-0.013	-0.01%
DXY Index	104.37	104.55	-0.18	-0.17%
EURUSD	1.0824	1.082	0.001	0.08%
GBPUSD	1.2843	1.284	0.001	0.05%
USDJPY	152.46	152.77	-0.310	-0.20%
USDCNH	7.2337	7.244	-0.010	-0.14%
US 10 Yr. Yield	4.136	4.139	-0.004	-0.09%
USDINR 1M FWD	83.80	83.82	-0.02	-0.02%
India 10 Yr. Yield	6.934	6.918	0.016	0.23%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	24857	24836	21	0.09%
Sensex	81455	81356	100	0.12%
Hang Seng	17038	17003	35	0.20%
Nikkie	38195	38526	-331	-0.86%
Shanghai	2877	2879	-2	-0.08%
S&P Index	5436	5464	-27	-0.50%
Dow Jones	40743	40540	203	0.50%
Nasdaq	18796	19059	-263	-1.38%
FTSE	8274	8292	-18	-0.22%
CAC	7475	7444	31	0.42%
DAX	18411	18321	91	0.49%

Market Roundup

- ▶ Central banks will be front and centre for macro markets on Wednesday, with the Bank of Japan and the Federal Reserve slated to reveal decisions.
- ▶ On Tuesday, spot USDINR little changed to 83.73. The rupee is expected to stay calm amid mixed signals. The lower crude oil price and month-end dollar inflows may support the rupee while FII is selling in equities weighing on it. The technical setup for USDINR remains bullish with a steady rise towards 83.80.
- ▶ *The US central bank is widely expected to keep rates on hold when it meets later Wednesday, and traders will look to Chair Jerome Powell's remarks after for confirmation of bets that they will be cut in September.*
- ▶ **Forex:**
 - Haven currencies outperformed their G-10 peers amid escalating Middle East tensions and weakness in US tech shares ahead of Wednesday's Fed policy decision.
 - US job openings came in above forecast last month after May's reading was revised higher. The US consumer confidence rose in July on expectations of improving economy and labour market offsetting bleaker views of current conditions.
 - The yen strengthened slightly against the dollar with just hours left for the BOJ to release its decision. Japan's 10-year yield advanced six basis points to 1.055% following an NHK report that BOJ board members will discuss raising interest rates to around 0.25% from 0.1%.
- ▶ **Equities:**
 - US stocks were mixed, with the S&P 500 sliding for the first day in 3 sessions, as technology shares extended losses amid a slump in Microsoft after it reported a slowdown in quarterly growth.
- ▶ **Commodities:**
 - Oil rose for the first time in four sessions after an industry report pointed to a fifth week of drawdowns in US stockpiles. However, crude is set for its largest monthly drop this year, weighed down by a poor demand outlook in China, the biggest importer.

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