

# HDFC securities Retail Research

## Currency Daily

29 November 2023



### Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.341	83.375	-0.034	-0.04%
DXY Index	102.55	103.18	-0.630	-0.61%
EURUSD	1.1002	1.0956	0.005	0.42%
GBPUSD	1.2717	1.2628	0.009	0.70%
USDJPY	147.04	148.62	-1.580	-1.06%
USDCNH	7.124	7.1604	-0.036	-0.51%
US 10 Yr. Yield	4.288	4.398	-0.110	-2.51%
USDINR 1M FWD	83.360	83.400	-0.040	-0.05%
India 10 Yr. Yield	7.277	7.27	0.007	0.10%

### Global Equity Markets

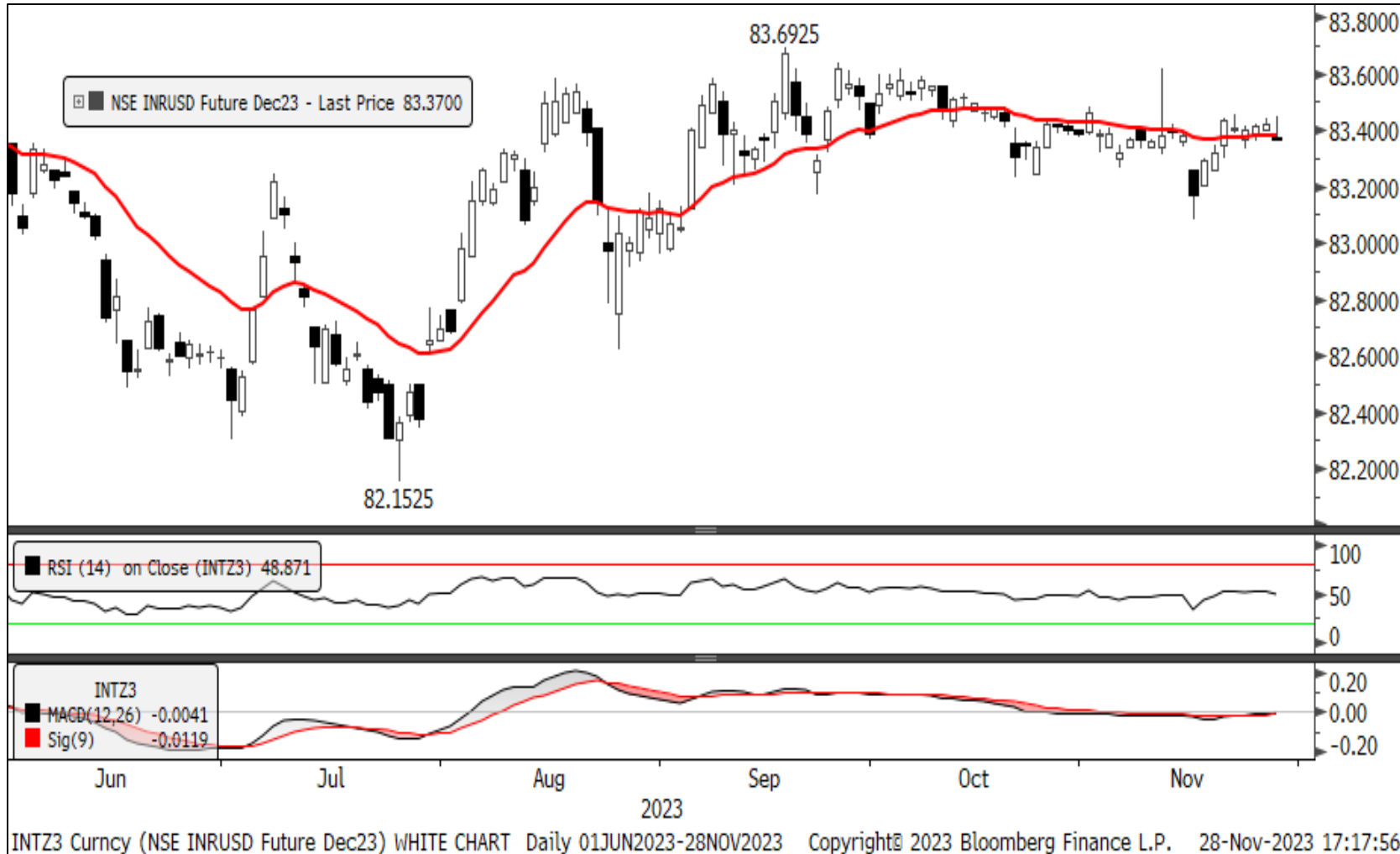
Name	Current Price	Previous Close	Change	% Change
Nifty	19890	19795	95	0.48%
Sensex	66174	65970	204	0.31%
Hang Seng	17146	17354	-208	-1.20%
Nikkie	33431	33408	23	0.07%
Shanghai	3034	3039	-5	-0.17%
S&P Index	4555	4550	4	0.10%
Dow Jones	35417	35333	84	0.24%
Nasdaq	16010	15962	48	0.30%
FTSE	7455	7461	-5	-0.07%
CAC	7250	7265	-15	-0.21%
DAX	15993	15966	26	0.16%

\* Prev. Close 5pm IST

### Market Roundup

- ▶ The Indian rupee is expected to open slightly higher following the overnight decline in the greenback against major trading currencies in the expectation that the Fed is done with rate hikes and will be able to ease policy next year. Fed swaps are now anticipating over 100 basis points of rate cuts by the end of 2024.
- ▶ On Tuesday, spot USDINR little changed at 83.34 and the benchmark 10-year yields little changed at 7.28%. *Implied opening from forwards suggests the spot may start trading around 83.28. The pair is expected to remain under pressure following risk-on sentiments and stronger Asian currencies. Spot USDINR has support at 83.10 and resistance at 83.50.*
- ▶ The dollar slid to the weakest level since early August as swap traders ramped up bets the Federal Reserve would cut interest rates as early as May. The Dollar Spot Index fell for a fifth day as fears of a recession and dovish Fed commentary spurred investors to wager the central bank will have to reverse its most aggressive tightening cycle since the 1980s.
- ▶ At the Fed, Christopher Waller said he was increasingly confident policy is “well positioned to slow the economy and get inflation back to 2%.” Michelle Bowman reiterated that she expects more hikes to reach the price target “in a timely way,” but her comments were more equivocal than in the past.
- ▶ US consumer confidence unexpectedly rose for the first time in four months in November, with the index climbing to 102 from October’s downwardly revised 99.1. Home prices rose 0.7% in September, reaching a fresh record.
- ▶ Oil rose as OPEC+ got no closer to resolving its output quota dispute. The alliance hasn’t reached a deal with Angola and Nigeria, possibly further delaying a meeting now scheduled for Thursday, delegates said.

USDINR Dec Futures Daily Chart



Technical Observations:

- ▶ USDINR Dec fut closed below 21 DEMA after holding it for the past five trading sessions.
- ▶ The formation of a bearish candle with the same close and low indicating weakness in the pair.
- ▶ Momentum Oscillator, RSI of 14 days period is turned down and placed below 50.
- ▶ MACD has been placed below a zero line with a flattish note.
- ▶ Short buildup has been seen as price and open interest declined.
- ▶ **Short Term Trend: Neutral/Sideways**
- ▶ **Expected Trading Range: 83.15 to 83.55**
- ▶ **Intraday Recommendation: Sell USDINR Dec. Fut. at 83.40/83.50 SL 83.56 Target 83.18**

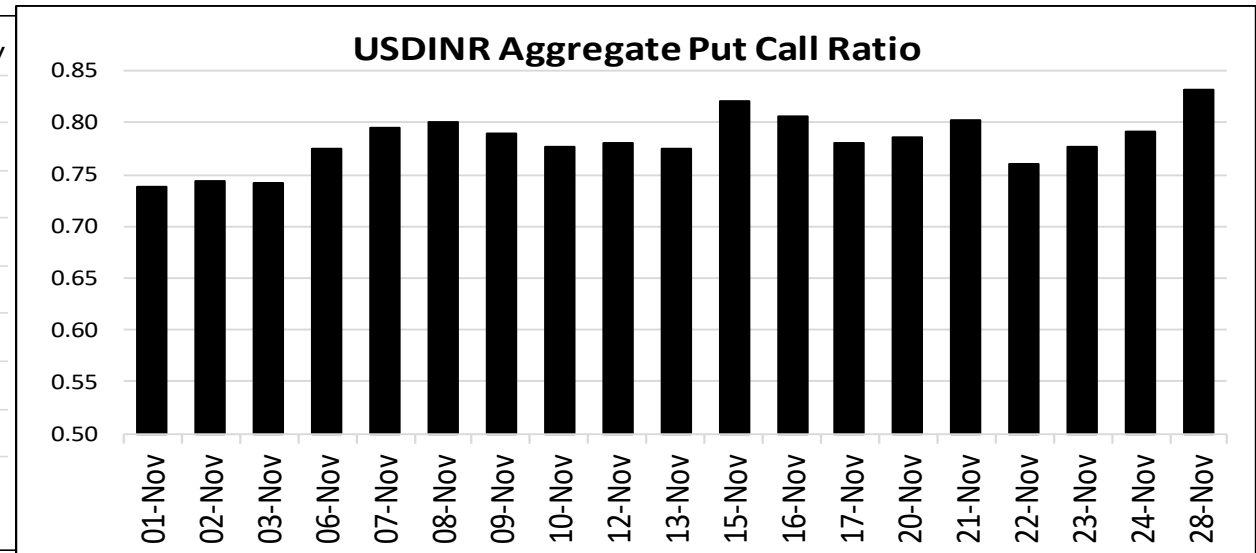
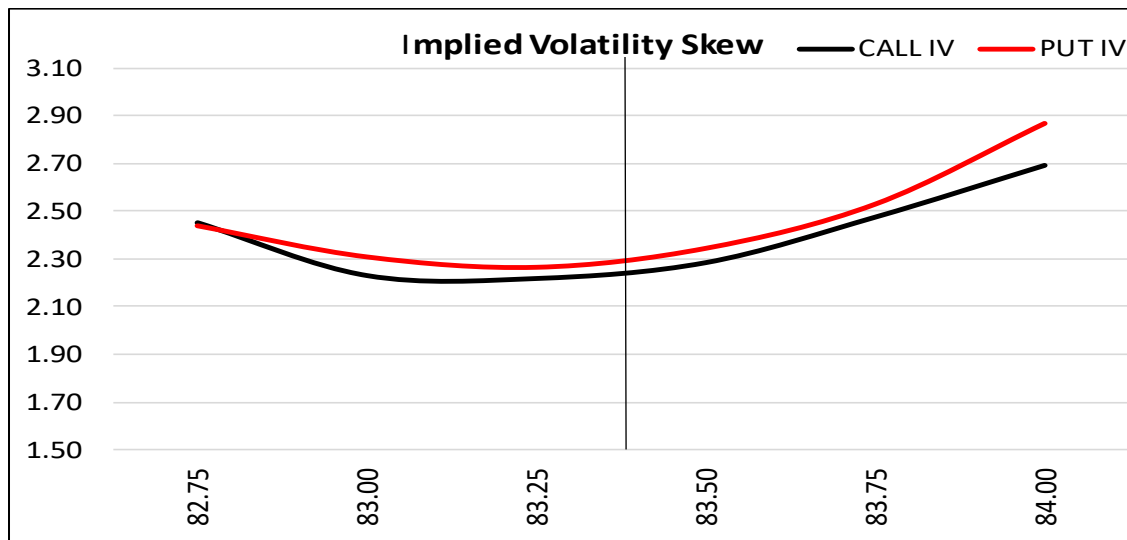
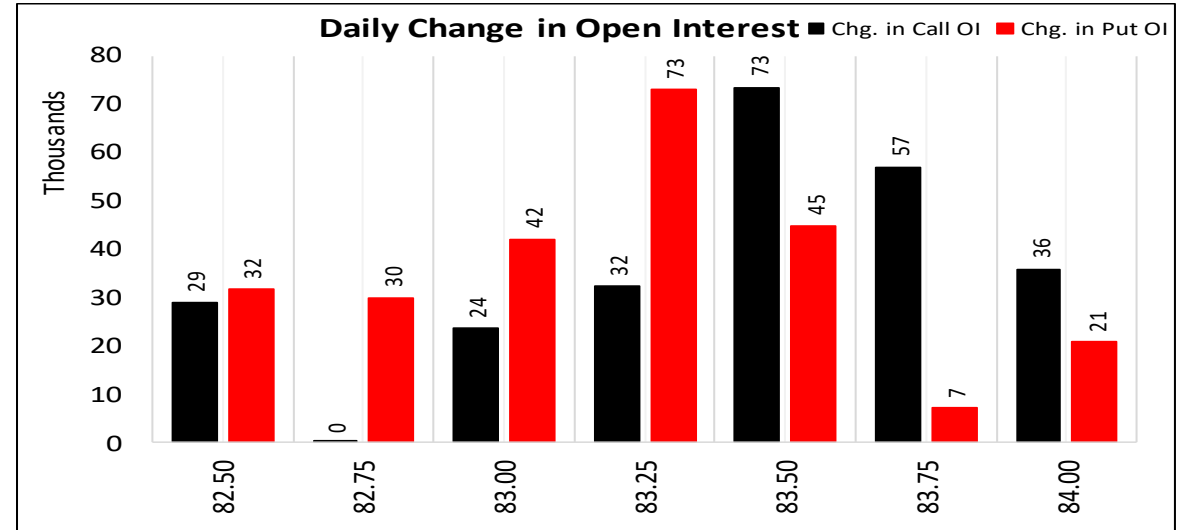
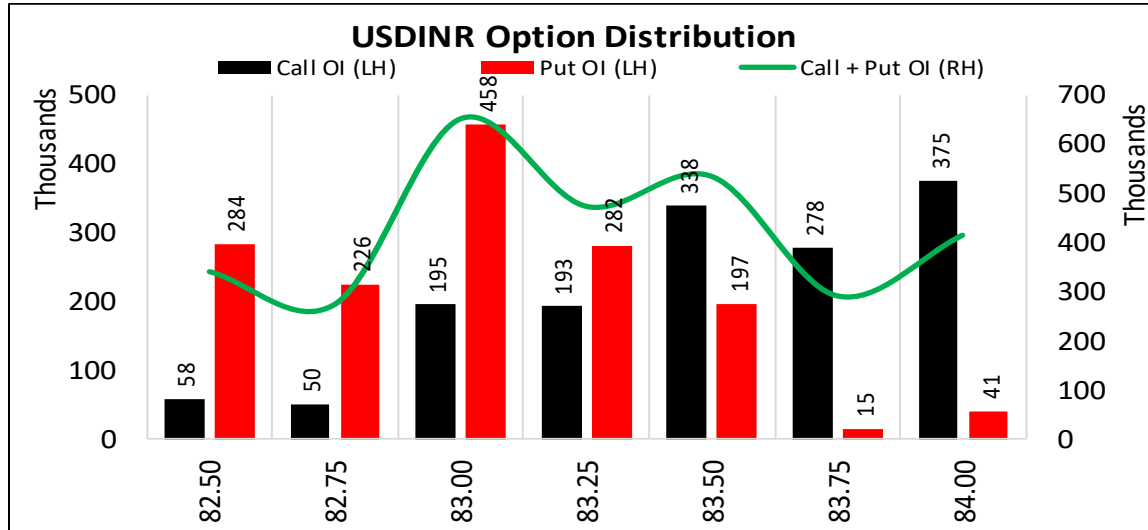
### Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Dec Fut	83.3725	83.4450	83.3600	83.3850	-0.04%	4,390,959	29.5%	5,839,937	-26.4%	2,991,959	82.0%
EURINR Dec Fut	91.3850	91.4675	91.2725	91.3950	0.35%	218,087	66.3%	282,373	-3.0%	271,159	304.8%
GBPINR Dec Fut	105.2550	105.3875	105.1325	105.3025	0.54%	246,797	64.1%	311,204	2.3%	345,683	262.6%
JPYINR Dec Fut	56.5750	56.6475	56.3300	56.4100	0.53%	76,399	43.9%	85,513	-32.7%	149,904	256.8%
EURUSD Dec Fut	1.0961	1.0966	1.0953	1.0958	0.40%	4,850	441.9%	17,137	64.3%	4,549	409.4%
GBPUSD Dec Fut	1.2638	1.2638	1.2611	1.2632	0.79%	4,690	81.4%	14,795	24.7%	3,299	18227.8%
USDJPY Dec Fut	147.16	148.05	147.16	147.65	-1.07%	264	340.0%	466	-34.7%	519	2783.3%

### Technical Levels

Currency Pair	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Dec Fut	83.39	83.40	83.23	83.31	83.35	83.43	83.48	83.57	83.40	83.37	49.98
EURINR Dec Fut	91.40	91.38	90.99	91.18	91.29	91.48	91.57	91.77	91.18	89.90	70.19
GBPINR Dec Fut	105.30	105.27	104.76	105.02	105.16	105.42	105.53	105.78	104.72	103.03	71.31
JPYINR Dec Fut	56.41	56.46	55.83	56.15	56.28	56.60	56.78	57.10	56.40	56.03	52.52
EURUSD Dec Fut	1.0958	1.0959	1.0933	1.0946	1.0952	1.0965	1.0972	1.0985	1.0775	1.0702	66.64
GBPUSD Dec Fut	1.2632	1.2627	1.2573	1.2600	1.2616	1.2643	1.2654	1.2681	1.2490	1.2298	66.84
USDJPY Dec Fut	147.65	147.62	145.84	146.73	147.19	148.08	148.51	149.40	148.55	149.83	42.30

USDINR Oct Month Option Charts



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