

# HDFC securities Retail Research

## Currency Daily

3 January 2024



### Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.316	83.235	0.081	0.10%
DXY Index	102.16	101.87	0.28	0.28%
EURUSD	1.0951	1.098	-0.003	-0.25%
GBPUSD	1.2629	1.267	-0.004	-0.35%
USDJPY	142.04	141.78	0.260	0.18%
USDCNH	7.1567	7.145	0.012	0.17%
US 10 Yr. Yield	3.929	3.935	-0.006	-0.14%
USDINR 1M FWD	83.39	83.43	-0.04	-0.05%
India 10 Yr. Yield	7.209	7.197	0.012	0.17%

### Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	21666	21742	-76	-0.35%
Sensex	71892	72272	-379	-0.53%
Hang Seng	16582	16789	-206	-1.23%
Nikkei	33464	33540	-75	-0.22%
Shanghai	2967	2962	5	0.17%
S&P Index	4743	4770	-27	-0.57%
Dow Jones	37715	37690	26	0.07%
Nasdaq	16544	16826	-282	-1.68%
FTSE	7722	7733	-12	-0.15%
CAC	7531	7543	-12	-0.16%
DAX	16769	16752	18	0.11%

\* Prev. Close 5pm IST

### Market Roundup

- ▶ On Tuesday, spot USDINR gained 8 paise or 0.10% to 83.32 amid portfolio outflows from the equities and weaker Asian currencies. The pair is expected to march towards 83.50 in the coming days following hedging demand and a stronger greenback.
- ▶ Non-deliverable forwards indicate the rupee will open marginally weaker to the dollar from 83.3175 in the previous session. The Indian rupee may trade with a slightly weaker bias due to broad-based strength in the greenback and risk-averse sentiments. Technically, spot USDINR has support at 83.20 and resistance at 83.50.
- ▶ The US dollar gained the most Tuesday since October as higher global bond yields and geopolitical tensions in the Middle East and Europe hampered risk-taking. US construction spending in November was up 0.4%, lower than the forecasted 0.6% spending rise. US S&P manufacturing purchasing managers index for December was 47.9 versus an initial 48.2.
- ▶ The Dollar Spot Index climbed as much as 0.7%, the biggest intraday advance since October. It rose against all its G-10 peers, buoyed, in part, by monthly hedging flows.
- ▶ Asian equities slipped, tracking a drop in US stocks and Treasuries as Wall Street's risk-on mood faded with declines in big tech.
- ▶ Japanese banks will be closed in observance of the 4-day Bank Holiday.
- ▶ Elsewhere, Oil held a drop as broad risk-off sentiment undercut concerns about escalating conflict in the Red Sea.
- ▶ Traders are already looking ahead to Wednesday's release of minutes from the December Fed meeting, which will offer details on a gathering at which officials signalled an end to their aggressive campaign of interest-rate increases.

USDINR January Futures Daily Chart



Technical Observations:

- ▶ USDINR Jan futures closed above 21 DEMA.
- ▶ It also surpassed the trend line resistance at 83.40.
- ▶ Momentum Oscillator, RSI of 14 days period is placed above 50 and strengthening.
- ▶ MACD has been given a positive crossover to a MACD average.
- ▶ Long buildup has been seen as the price and open interest gained.
- ▶ **Short Term Trend: Bullish above 83.60**
- ▶ **Expected Trading Range: 83.20 to 83.55**
- ▶ **Intraday Recommendation: Buy USDINR Jan Futures above 83.45 and add at 83.35 SL 83.31 Target 83.64**

**Currency Derivative Price Actions**

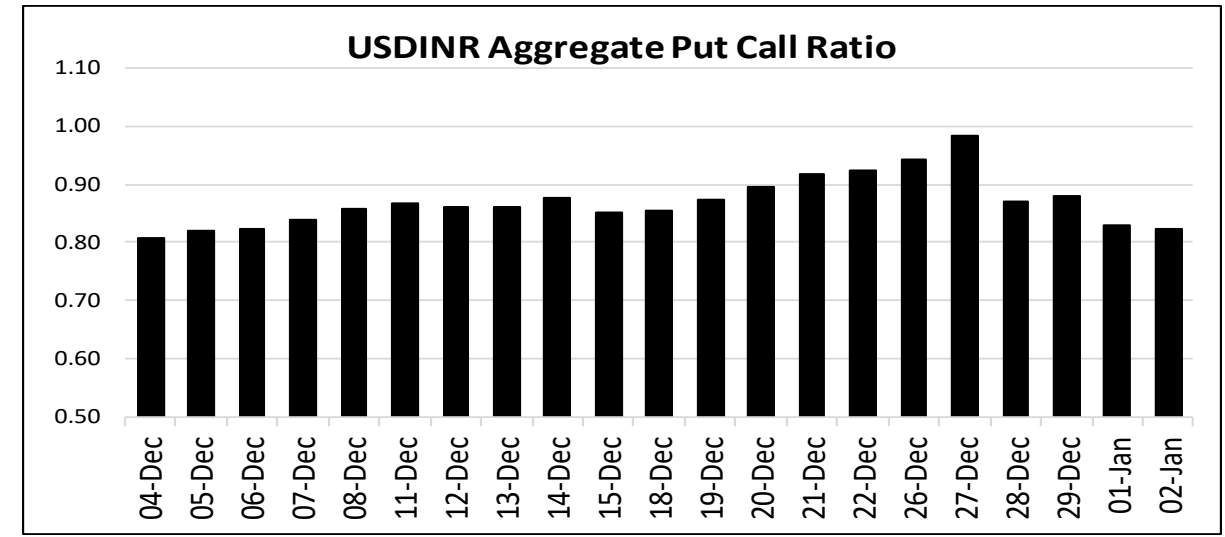
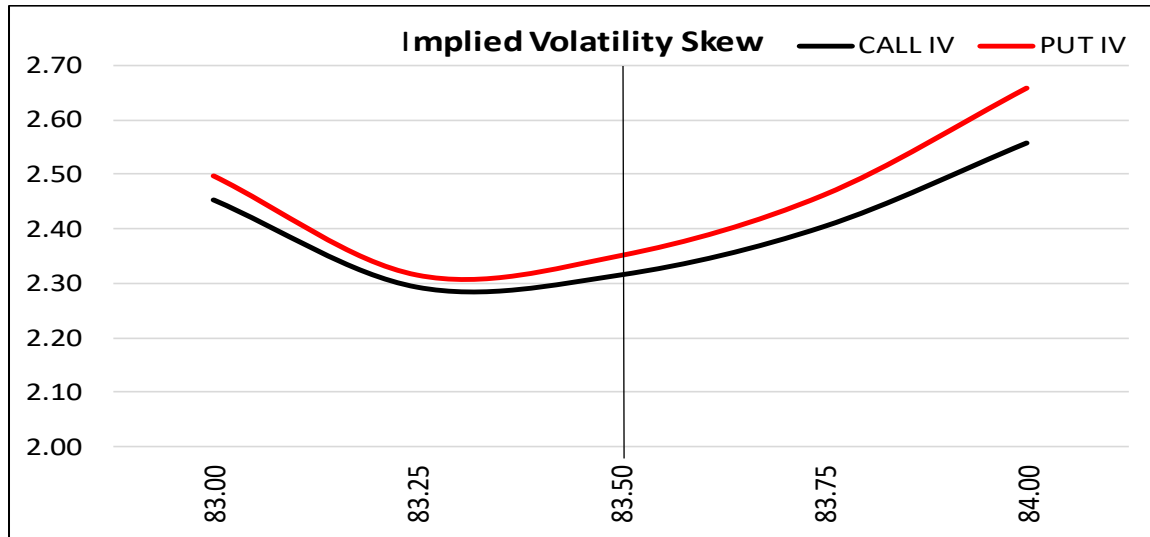
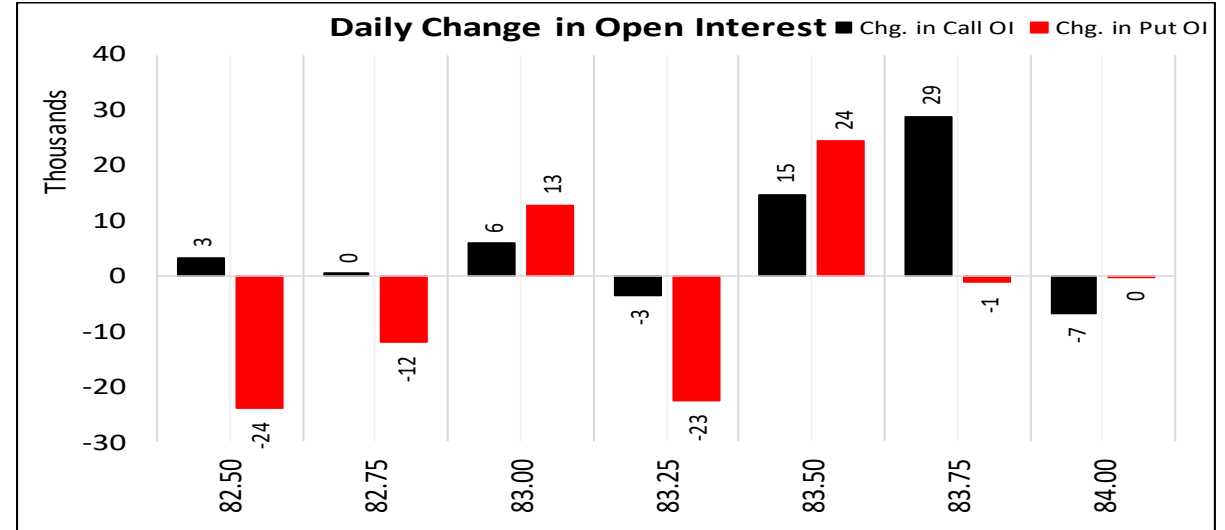
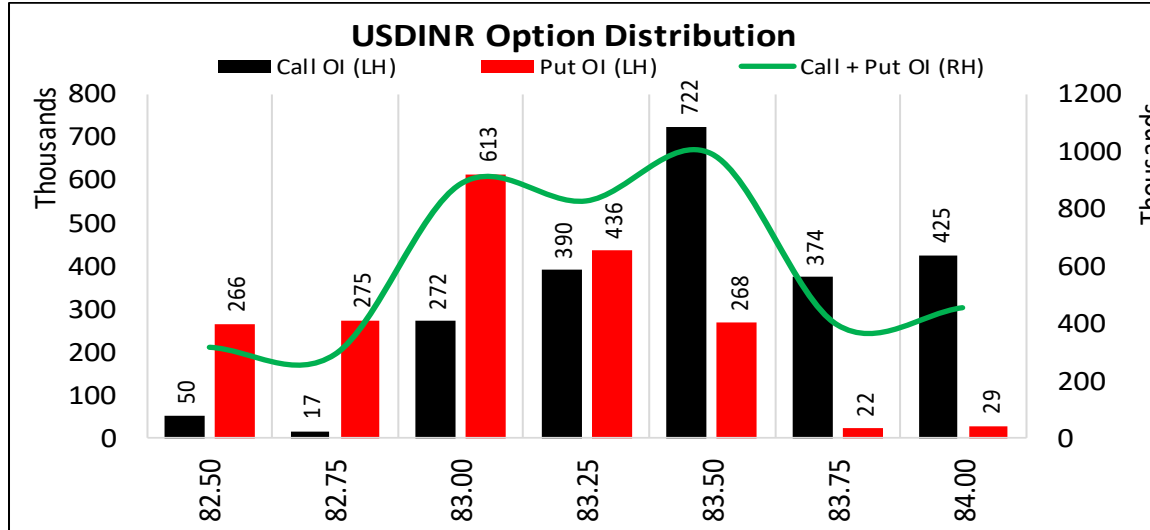
Currency Pair	Open	High	Low	Close	Prev. Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Jan Fut	83.3250	83.4275	83.3250	83.4025	83.2925	0.13%	4,091,469	5.9%	6,207,718	7.7%	1,520,766	175.4%
EURINR Jan Fut	91.9700	92.1050	91.6350	91.7150	92.1350	-0.46%	317,577	-11.0%	412,525	-10.3%	246,638	617.3%
GBPINR Jan Fut	105.9275	106.3900	105.6375	105.7200	105.9275	-0.20%	244,477	-7.0%	313,316	-5.9%	314,010	716.6%
JPYINR Jan Fut	59.0675	59.2475	59.0325	59.0875	59.0675	0.03%	60,998	0.4%	75,533	-0.9%	64,536	144.1%
EURUSD Jan Fut	1.1025	1.1044	1.0988	1.1000	1.1057	-0.52%	17,285	-6.8%	42,312	-2.9%	2,106	2266.3%
GBPUSD Jan Fut	1.2718	1.2736	1.2667	1.2674	1.2720	-0.36%	10,786	-7.6%	10,795	-7.6%	1,224	1874.2%
USDJPY Jan Fut	141.04	141.29	141.03	141.24	141.16	0.06%	1,244	0.2%	1,244	0.2%	113	66.2%

**Technical Levels**

Currency Pair	Trend*	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Jan Fut	Bullish	83.40	83.39	83.18	83.28	83.34	83.45	83.49	83.59	83.33	83.36	51.75
EURINR Jan Fut	Bearish	91.72	91.82	90.88	91.35	91.53	92.00	92.29	92.76	92.17	91.16	56.66
GBPINR Jan Fut	Bearish	105.72	105.92	104.41	105.16	105.44	106.19	106.67	107.42	106.04	105.53	55.13
JPYINR Jan Fut	Bullish	59.09	59.12	58.69	58.91	59.00	59.21	59.34	59.55	59.08	58.46	60.41
EURUSD Jan Fut	Bearish	1.1000	1.1011	1.0899	1.0955	1.0977	1.1033	1.1067	1.1123	1.1063	1.0935	55.58
GBPUSD Jan Fut	Bearish	1.2674	1.2692	1.2554	1.2623	1.2649	1.2718	1.2761	1.2830	1.2728	1.2651	54.53
USDJPY Jan Fut	Bearish	141.24	141.19	140.67	140.93	141.08	141.34	141.45	141.71	141.19	143.20	38.81

\* Trend Auto generated with the help of Moving Average

USDINR January Month Option Charts



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