

HDFC securities Retail Research

Currency Daily

9 November 2023



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.278	83.268	0.010	0.01%
DXY Index	105.49	105.72	-0.229	-0.22%
EURUSD	1.0712	1.0675	0.004	0.35%
GBPUSD	1.2290	1.2266	0.002	0.20%
USDJPY	150.88	150.74	0.140	0.09%
USDCNH	7.2837	7.2846	-0.001	-0.01%
US 10 Yr. Yield	4.480	4.577	-0.097	-2.11%
USDINR 1M FWD	83.290	83.330	-0.040	-0.05%
India 10 Yr. Yield	7.271	7.28	-0.009	-0.12%

Global Equity Markets

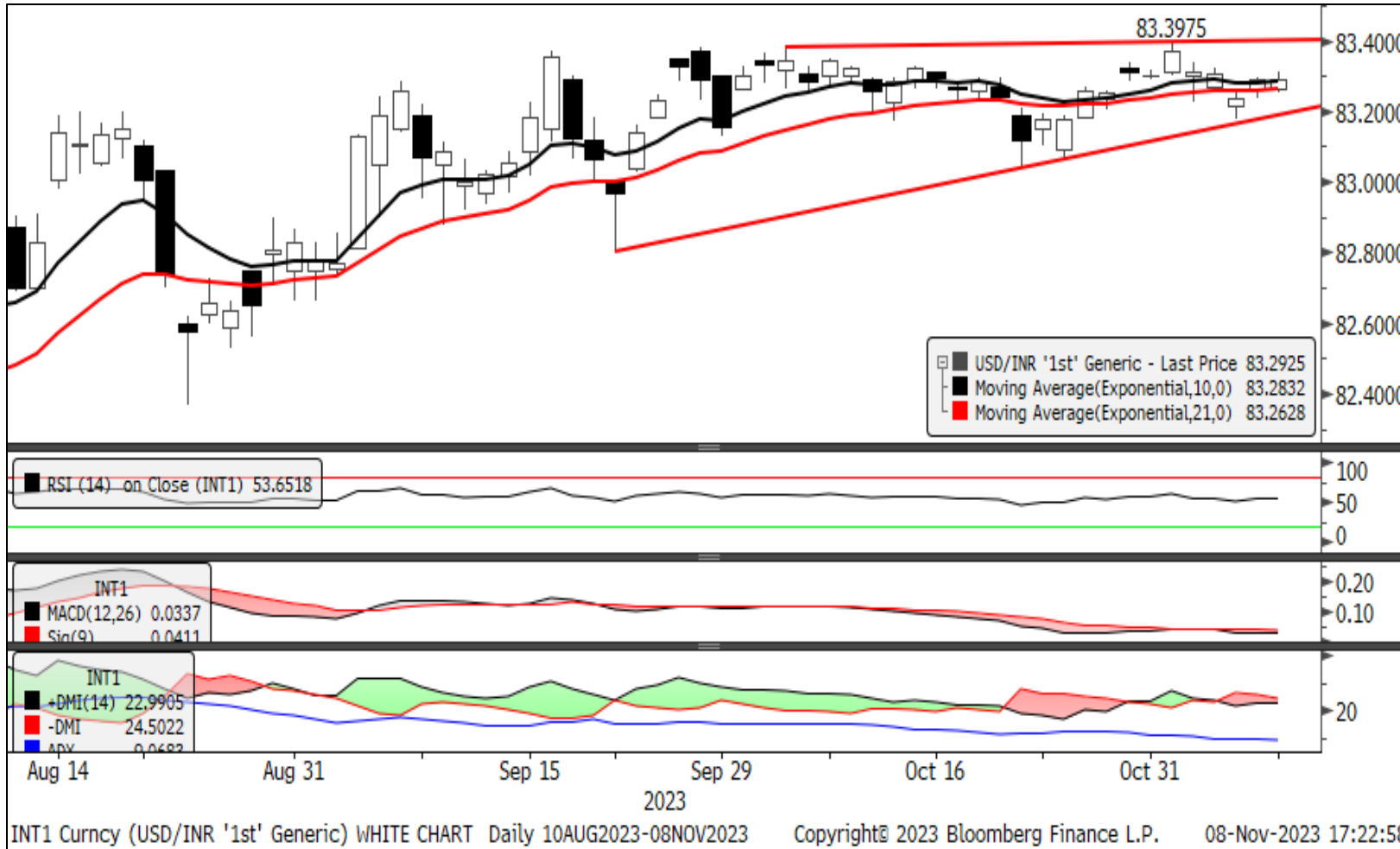
Name	Current Price	Previous Close	Change	% Change
Nifty	19444	19407	37	0.19%
Sensex	64976	64942	33	0.05%
Hang Seng	17586	17568	17	0.10%
Nikkie	32488	32166	322	1.00%
Shanghai	3061	3052	8	0.27%
S&P Index	4383	4378	4	0.10%
Dow Jones	34112	34153	-40	-0.12%
Nasdaq	15313	15296	17	0.11%
FTSE	7402	7410	-8	-0.11%
CAC	7034	6986	48	0.69%
DAX	15230	15153	77	0.51%

* Prev. Close 5pm IST

Market Roundup

- ▶ The Indian rupee is expected to open slightly higher in line with regional currencies. The forward market suggests the spot USDINR opening at 83.25 at domestic bourses. The weaker crude oil prices and risk-asset recovery are likely to support the local rupee in opening trades. However, the foreign fund outflows and political uncertainty may weigh on the rupee, in the near term.
- ▶ On Wednesday, spot USDINR gained a paise to 83.28 following foreign fund outflows. The pair has been consolidating between 83 to 83.30 since October. We believe it may remain in the range amid thin volumes ahead of the Festival holidays.
- ▶ Bonds in India marked a fifth straight day of gains, supported by a recent rally in Treasuries, bond buying from the FPI and a drop in crude oil prices. India's 10-year benchmark bond yield declined 1bps to 7.27%, down 9bps in the last five sessions.
- ▶ US stocks ended mixed on Wed as near-term overbought conditions weighed. The S&P 500 gained for an eighth day and eked out a 0.1% gain. The Dow Jones slipped 0.1% while the Nasdaq Composite ended marginally higher. The USD ended mixed on Wed as markets await Fed Chair Powell's speech tonight. USDJPY rose 0.4% to 150.98 after Bank of Japan Governor Kazuo Ueda said underlying inflation remained some distance from the 2% target.
- ▶ Traders kept a close eye on Federal Reserve speakers to gauge whether policymakers will keep dampening the dovish narrative among investors.
- ▶ China slid back into deflation in October, highlighting the country's struggle with shoring up growth through domestic demand. Consumer prices fell 0.2% last month after hovering near zero in the previous two months, the National Bureau of Statistics said Thursday. Producer prices fell for a 13th straight month, dropping 2.6% versus an estimate for a 2.7% decline.

USDINR Nov Futures Daily Chart



Technical Observations:

- ▶ USDINR Nov fut. has been oscillating at 21 DEMA.
- ▶ The 10 DEMA is placed above 21 DEMA.
- ▶ Broadly, the pair has been trading in a narrow range of 83.10 to 83.40.
- ▶ Momentum Oscillator, RSI of 14 days period is placed above 50.
- ▶ MACD is placed above a zero line but stays below the moving average.
- ▶ Minor long buildup has been seen as the price and open interest gained
- ▶ **Short Term Trend: Neutral/Sideways**
- ▶ **Expected Trading Range: 83.10 to 83.40**
- ▶ **Recommendation: Sell USDINR Nov. Fut. around 83.30 SL 83.45 Target 83.12**

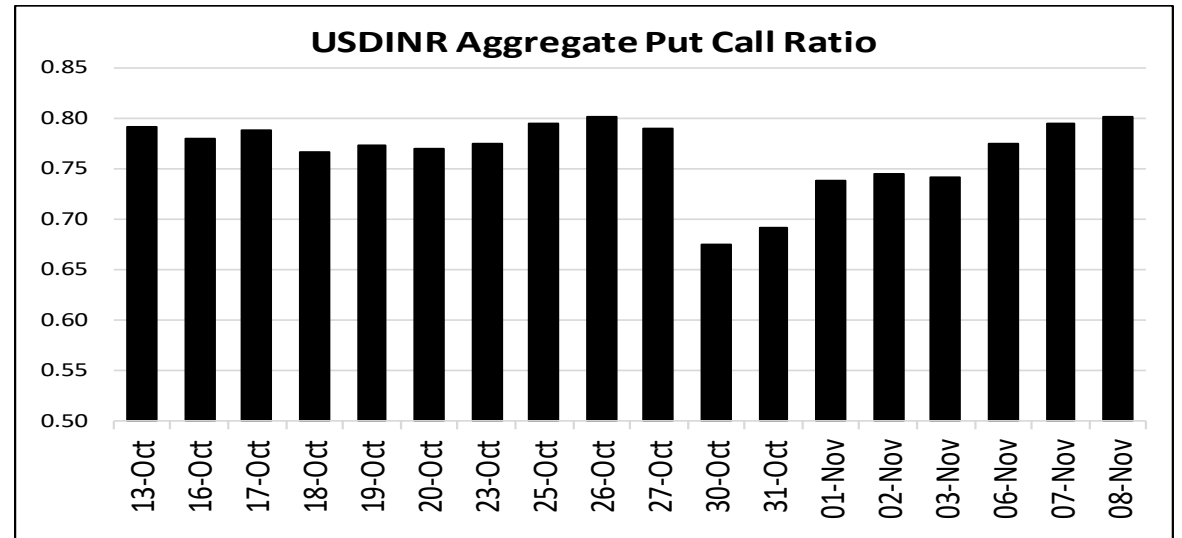
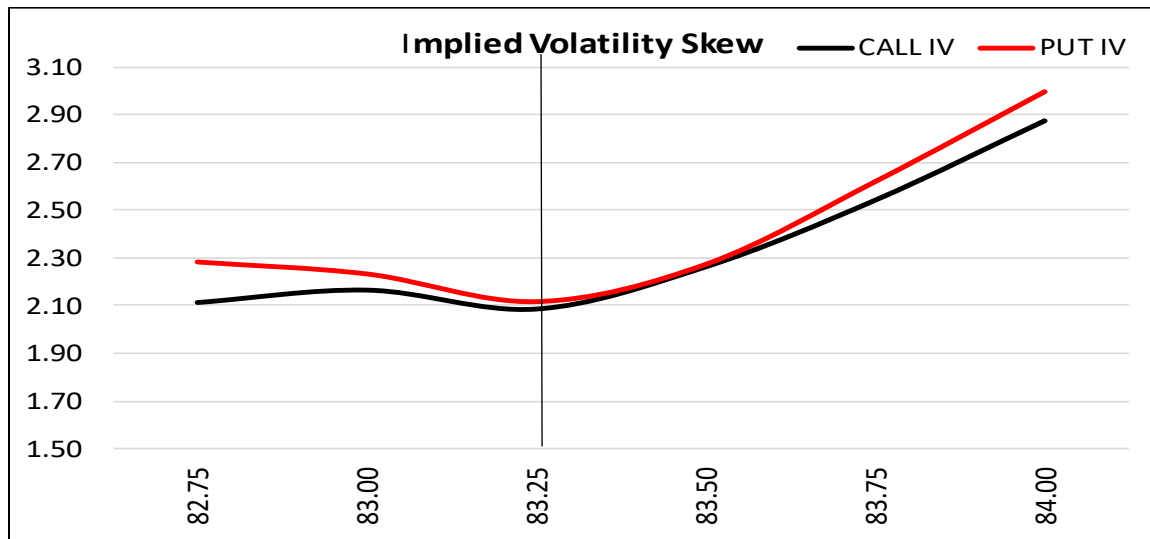
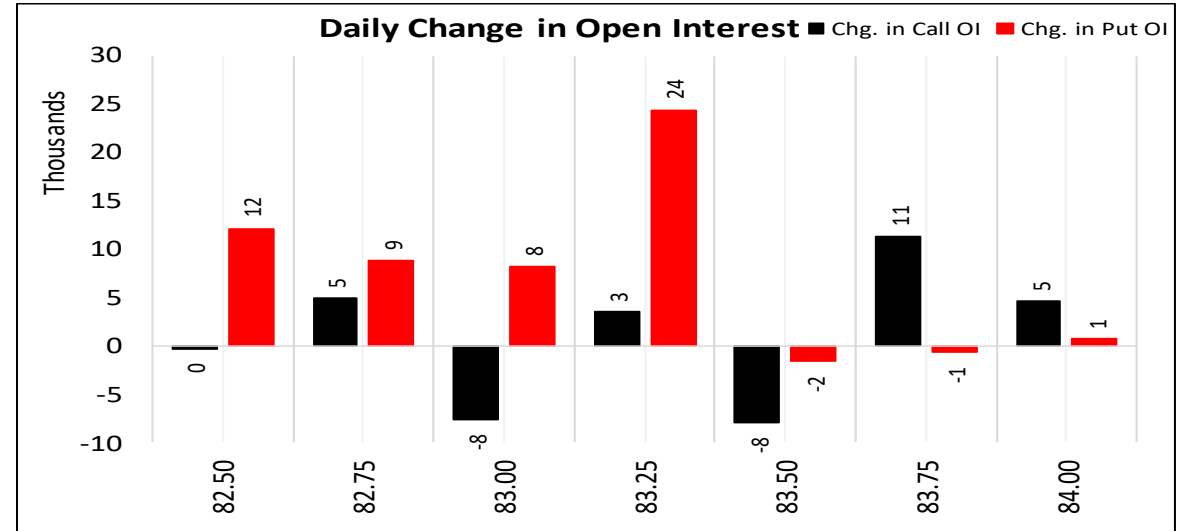
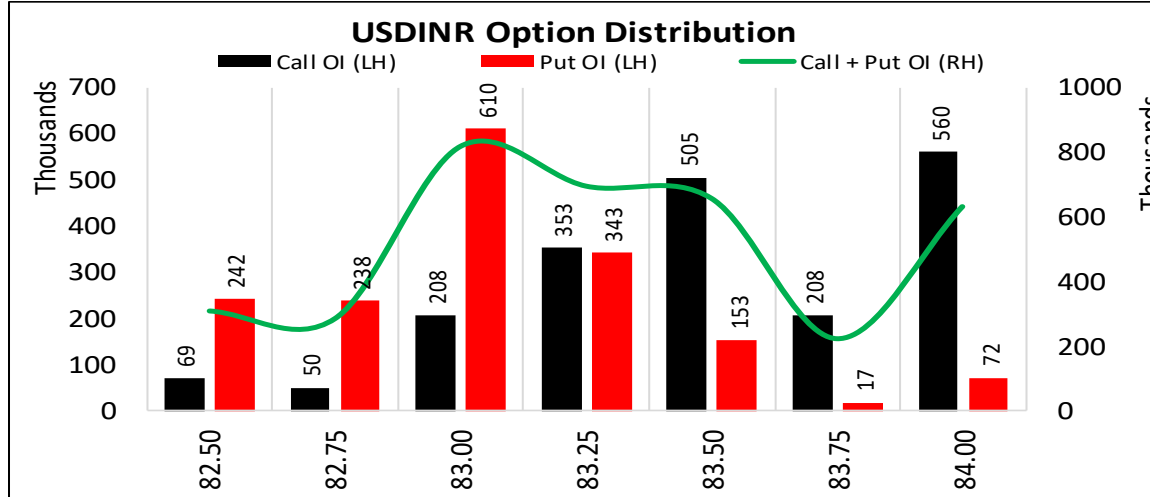
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Nov Fut	83.2650	83.3100	83.2550	83.2975	0.01%	5,552,182	0.5%	7,204,781	0.6%	1,029,191	9.3%
EURINR Nov Fut	89.0100	89.1900	88.8600	88.9675	-0.05%	121,894	0.5%	181,228	1.1%	136,562	-18.0%
GBPINR Nov Fut	102.3525	102.3525	102.0025	102.1675	-0.21%	162,508	-1.0%	210,027	-0.8%	175,183	-49.2%
JPYINR Nov Fut	55.5725	55.6275	55.4700	55.4825	-0.25%	125,790	3.2%	145,715	3.9%	35,718	-26.8%
EURUSD Nov Fut	1.0696	1.0703	1.0668	1.0680	-0.10%	1,064	-7.6%	1,078	-7.5%	214	-45.0%
GBPUSD Nov Fut	1.2276	1.2276	1.2245	1.2265	-0.23%	783	0.8%	785	0.8%	37	-83.4%
USDJPY Nov Fut	149.84	150.09	149.80	150.09	0.24%	1,321	12.6%	1,527	10.9%	184	-65.9%

Technical Levels

Currency Pair	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Nov Fut	83.30	83.29	83.18	83.23	83.27	83.32	83.34	83.40	83.29	83.32	49.01
EURINR Nov Fut	88.97	89.01	88.35	88.68	88.82	89.15	89.34	89.67	88.98	88.42	54.01
GBPINR Nov Fut	102.17	102.17	101.47	101.82	102.00	102.35	102.52	102.87	102.27	101.64	51.89
JPYINR Nov Fut	55.48	55.53	55.21	55.37	55.43	55.58	55.68	55.84	55.67	55.93	32.53
EURUSD Nov Fut	1.0680	1.0684	1.0614	1.0649	1.0664	1.0699	1.0719	1.0754	1.0685	1.0609	53.96
GBPUSD Nov Fut	1.2265	1.2262	1.2200	1.2231	1.2248	1.2279	1.2293	1.2324	1.2279	1.2190	52.22
USDJPY Nov Fut	150.09	149.99	149.41	149.70	149.90	150.19	150.28	150.57	149.57	149.62	58.64

USDINR Oct Month Option Charts



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