

HDFC securities Retail Research

Currency Daily

6 June 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.379	83.526	-0.147	-0.18%
DXY Index	104.05	104.27	-0.22	-0.21%
EURUSD	1.0891	1.087	0.002	0.20%
GBPUSD	1.2804	1.279	0.002	0.13%
USDJPY	155.60	156.11	-0.510	-0.33%
USDCNH	7.2556	7.259	-0.004	-0.05%
US 10 Yr. Yield	4.291	4.276	0.016	0.36%
USDINR 1M FWD	83.46	83.48	-0.02	-0.02%
India 10 Yr. Yield	7.027	7.038	-0.011	-0.16%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	22620	21885	736	3.36%
Sensex	74382	72079	2303	3.20%
Hang Seng	18578	18425	153	0.83%
Nikkie	38896	38490	406	1.05%
Shanghai	3069	3065	4	0.13%
S&P Index	5354	5291	63	1.18%
Dow Jones	38807	38711	96	0.25%
Nasdaq	19035	18655	380	2.04%
FTSE	8247	8232	15	0.18%
CAC	8007	7938	69	0.87%
DAX	18576	18406	170	0.93%

Market Roundup

- ▶ The Indian rupee is expected to open slightly higher following a weaker dollar index and risk-on moods. The lower crude oil prices and the expectation of foreign fund inflows could also support the rupee. On Wednesday, Spot USDINR fell 15 paise to 83.38.
- ▶ Broadly the pair has been consolidating between 83 to 83.60 but within that, it has made two small ranges 83 to 83.30 and 83.30 to 83.60. A major event of the election is completed the focus will shift to Budget and dollar flows.
- ▶ *Investors will look to Friday's payrolls to determine whether the bull run in equities can continue into the summer after Wednesday's rebound in the ISM Services index sparked another record high.*
- ▶ **Forex:**
 - The greenback was mixed against its G-10 peers as risk tone improved following better-than-expected US ISM Services number. The yield on 10-year Treasuries is down by one basis point to 4.32%.
 - With the Fed widely expected to stay on hold next week, the focus of the meeting will be the new Summary of Economic Projections. In March, Fed officials maintained their outlook for three rate cuts in 2024.
 - The euro was little changed ahead of the European Central Bank's policy decision. While policymakers are widely expected to cut rates, traders will seek guidance on the path forward, notably from President Christine Lagarde at the press briefing.
- ▶ **Equities:**
 - Asian equity markets rose after the world's largest technology companies helped send US shares to a fresh all-time high
- ▶ **Commodities:**
 - In commodities, oil clawed back some losses for a second session with technical support after OPEC+'s plan to return barrels to the market sparked a selloff at the start of the week. Easing supply-side issues triggered falls across the commodity complex, despite rising prospects of rate cuts.

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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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