

HDFC securities Retail Research

Currency Daily

22 February 2024



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	82.971	82.970	0.001	0.00%
DXY Index	103.97	104.15	-0.17	-0.17%
EURUSD	1.0823	1.080	0.002	0.23%
GBPUSD	1.2635	1.261	0.002	0.19%
USDJPY	150.38	150.04	0.340	0.23%
USDCNH	7.2005	7.199	0.001	0.02%
US 10 Yr. Yield	4.307	4.262	0.045	1.06%
USDINR 1M FWD	83.01	83.04	-0.03	-0.04%
India 10 Yr. Yield	7.052	7.061	-0.009	-0.13%

Global Equity Markets

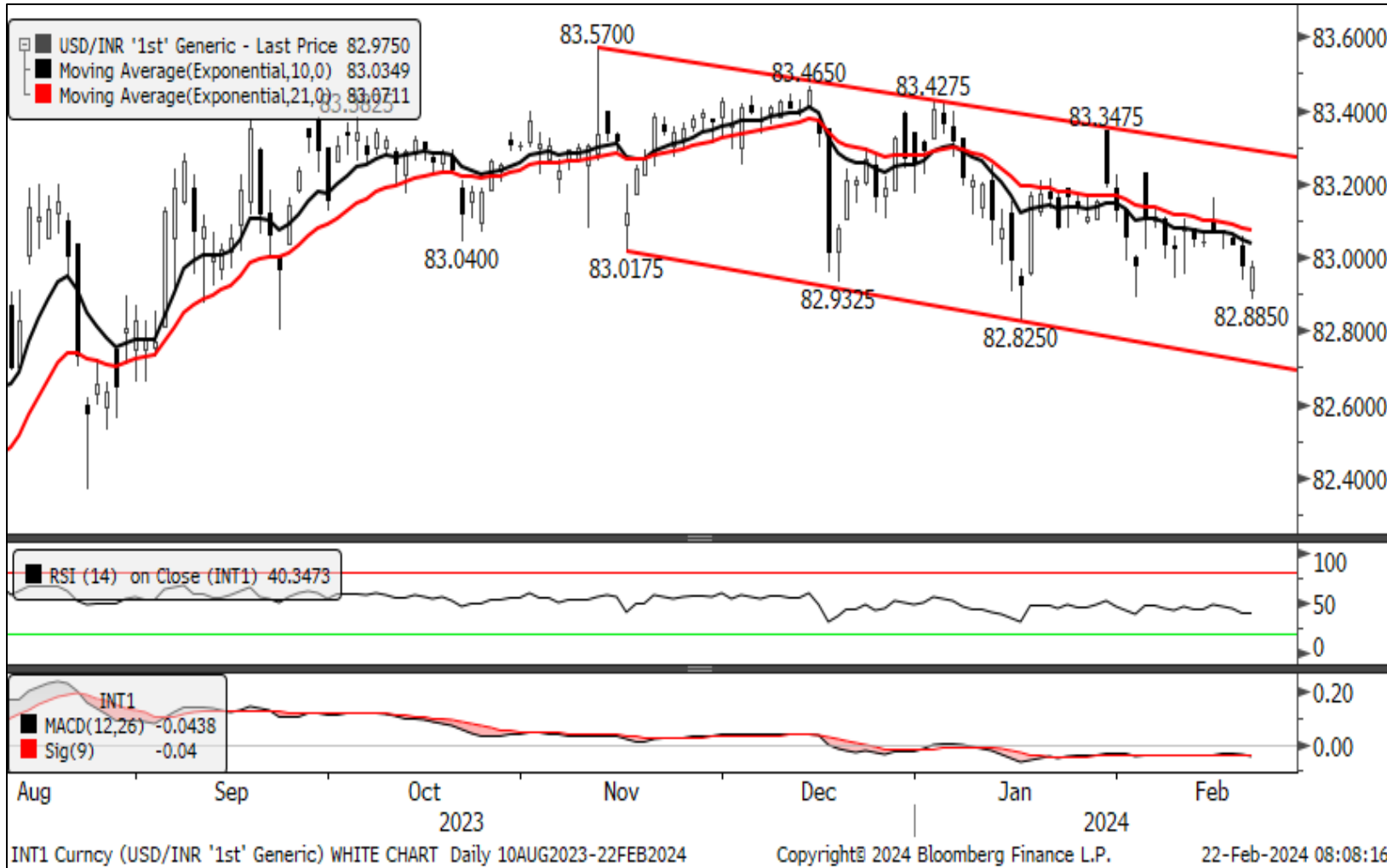
Name	Current Price	Previous Close	Change	% Change
Nifty	22055	22197	-142	-0.64%
Sensex	72623	73057	-434	-0.59%
Hang Seng	16454	16503	-49	-0.30%
Nikkie	38844	38262	582	1.52%
Shanghai	2955	2951	4	0.15%
S&P Index	4982	4976	6	0.13%
Dow Jones	38612	38564	48	0.13%
Nasdaq	17479	17546	-67	-0.38%
FTSE	7663	7719	-57	-0.73%
CAC	7812	7795	17	0.22%
DAX	17118	17068	50	0.29%

* Prev. Close 5pm IST

Market Roundup

- ▶ The rupee could open slightly higher following a weaker greenback and risk-on moods. But the mixed Asian currencies and higher crude oil prices could push the rupee lower just like on Wednesday. Implied opening from forwards suggests spot USDINR may start trading around 82.95.
- ▶ On Wednesday, the spot USDINR retreated the losses and closed unchanged at 82.97. However, the direction remained down following weak technical indicators. In the near term, the pair has support at 82.80 and resistance at 83.20.
- ▶ The US dollar remained stable on the day after most Federal Reserve officials noted risks of cutting rates too quickly, according to January FOMC meeting minutes. Earlier, US mortgage rates jumped above 7% for the first time since early December, dealing a blow to the housing market's nascent recovery.
- ▶ Euro rose as much as 0.2% before paring the gain, extending its advance into a sixth day. It hovered near a two-week high of 1.0839 touched on Tuesday, as traders have been pricing out the possibility that the ECB will start cutting rates in April.
- ▶ Indian shares are set to open marginally higher, after snapping a six-session winning streak in the previous session, while Asian peers opened higher led by a rally in Japanese stocks.
- ▶ Elsewhere, Oil prices rose slightly, holding to gains from the previous session that came amid signs of tighter supply.
- ▶ Federal Reserve Bank of Richmond President Thomas Barkin said recent economic data highlighted how price pressures in some sectors are still too high, despite improvement in the overall inflation picture.

USDINR February Futures Daily Chart



Technical Observations:

- ▶ USDINR February futures closed below the short-term moving average of 21 days.
- ▶ Momentum Oscillator, RSI of 14 days period is placed below 50 and weakening.
- ▶ MACD has been placed below a zero line with a negative cross-over indicating a weak trend.
- ▶ Unwinding has been seen as the price and open interest declined.
- ▶ **Short Term Trend: Bearish**
- ▶ **Expected Trading Range: 83.15 to 82.90**
- ▶ **Intraday Recommendation: Sell USDINR Feb. Fut. at 83.03 & 83.10 SL 83.14 Target 82.85**

Currency Derivative Price Actions

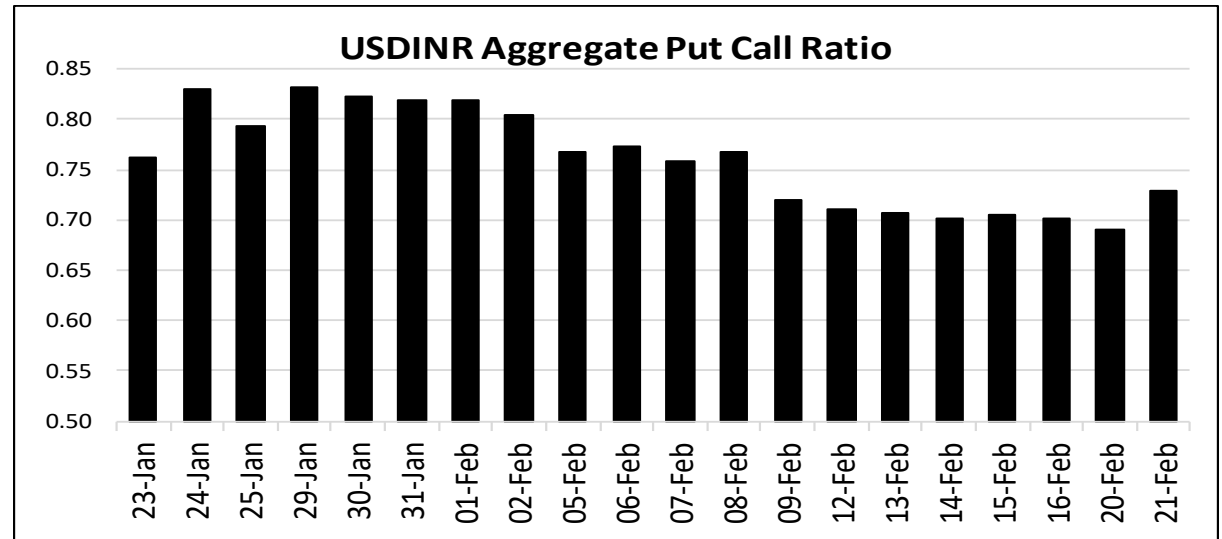
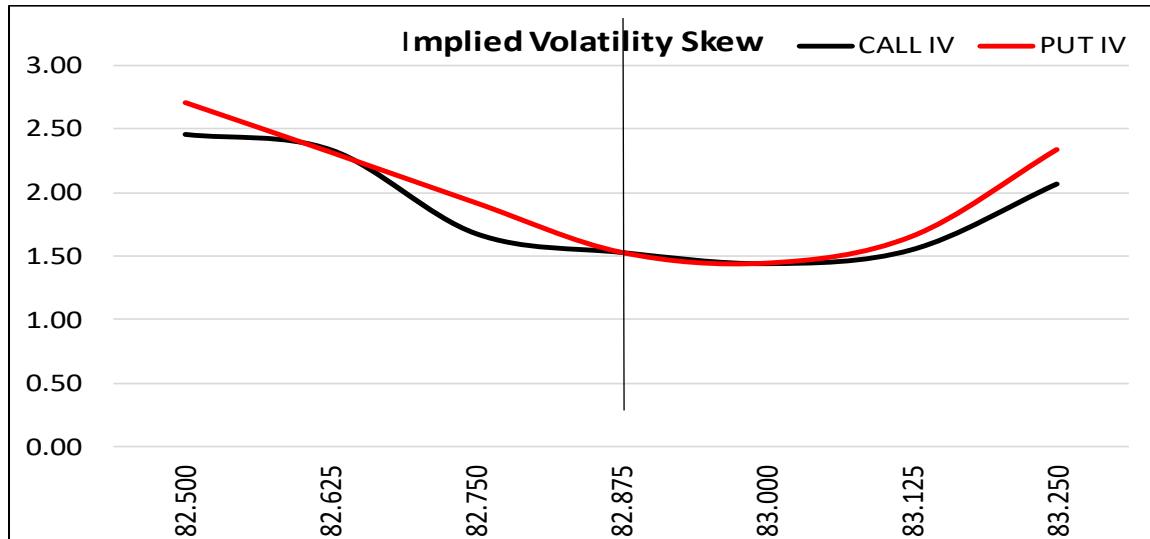
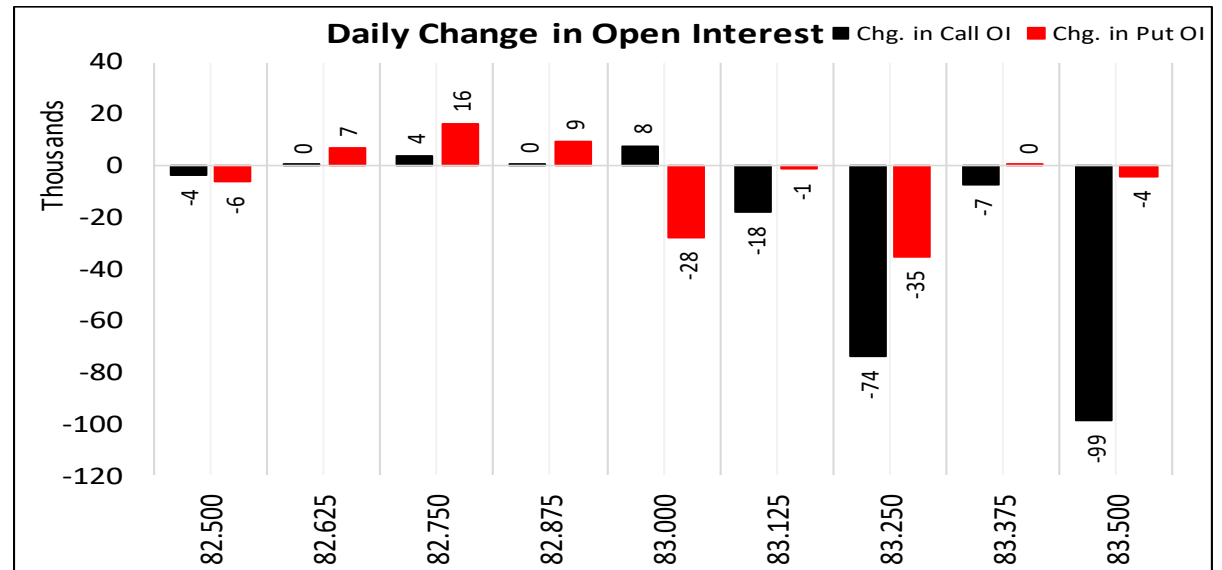
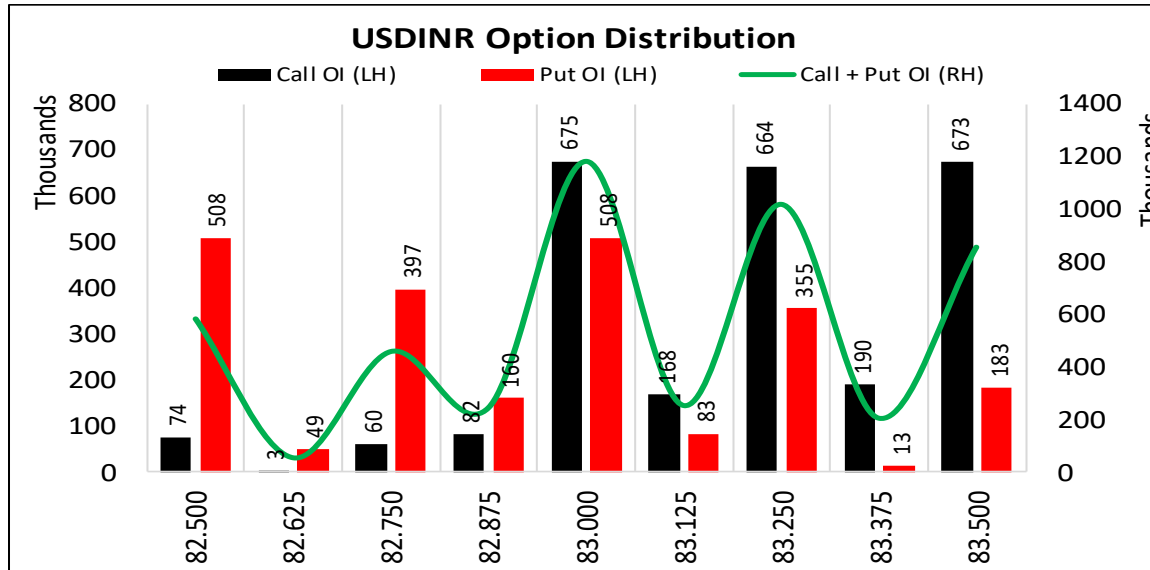
Currency Pair	Open	High	Low	Close	Prev. Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Feb Fut	82.9100	82.9900	82.8850	82.9750	82.9800	-0.01%	2,358,979	-5.0%	5,555,056	-1.1%	1,281,983	7.2%
EURINR Feb Fut	89.7300	89.7475	89.5700	89.6350	89.6375	0.00%	133,527	-6.3%	205,721	-3.7%	76,707	-38.9%
GBPINR Feb Fut	104.7225	104.8000	104.5900	104.6700	104.5600	0.11%	187,567	0.0%	270,012	3.7%	147,880	3.2%
JPYINR Feb Fut	55.4450	55.4450	55.3000	55.3825	55.3525	0.05%	137,156	-5.2%	194,437	-1.3%	39,467	2.2%
EURUSD Feb Fut	1.0813	1.0822	1.0793	1.0805	1.0797	0.07%	8,357	-3.1%	8,453	-3.0%	407	25.6%
GBPUSD Feb Fut	1.2640	1.2640	1.2604	1.2609	1.2597	0.10%	1,048	-22.6%	1,049	-22.6%	616	-70.0%
USDJPY Feb Fut	149.70	149.96	149.66	149.99	149.81	0.12%	777	-0.4%	796	-0.3%	32	-75.2%

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 Feb Fut	Bearish	82.98	82.95	82.74	82.85	82.91	83.02	83.06	83.16	83.03	83.09	37.60
EURINR Feb Fut	Bullish	89.64	89.65	89.30	89.47	89.55	89.73	89.83	90.01	89.41	89.82	43.44
GBPINR Feb Fut	Bullish	104.67	104.69	104.27	104.48	104.57	104.78	104.90	105.11	104.48	105.03	45.77
JPYINR Feb Fut	Bearish	55.38	55.38	55.09	55.23	55.31	55.45	55.52	55.67	55.39	56.14	29.61
EURUSD Feb Fut	Bullish	1.0805	1.0807	1.0749	1.0778	1.0791	1.0820	1.0836	1.0865	1.0767	1.0808	47.36
GBPUSD Feb Fut	Bullish	1.2609	1.2618	1.2546	1.2582	1.2595	1.2631	1.2654	1.2690	1.2582	1.2640	47.82
USDJPY Feb Fut	Bullish	149.99	149.87	149.27	149.57	149.78	150.08	150.17	150.47	149.87	148.24	65.88

* Trend Auto generated with the help of Moving Average

USDINR February Month Option Charts



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