

HDFC securities Retail Research

Currency Daily

22 November 2023



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.356	83.346	0.010	0.01%
DXY Index	103.57	103.37	0.200	0.19%
EURUSD	1.0919	1.0942	-0.002	-0.21%
GBPUSD	1.2540	1.2531	0.001	0.07%
USDJPY	148.29	147.71	0.580	0.39%
USDCNH	7.1397	7.1421	-0.002	-0.03%
US 10 Yr. Yield	4.408	4.412	-0.004	-0.09%
USDINR 1M FWD	83.370	83.410	-0.040	-0.05%
India 10 Yr. Yield	7.271	7.257	0.014	0.19%

Global Equity Markets

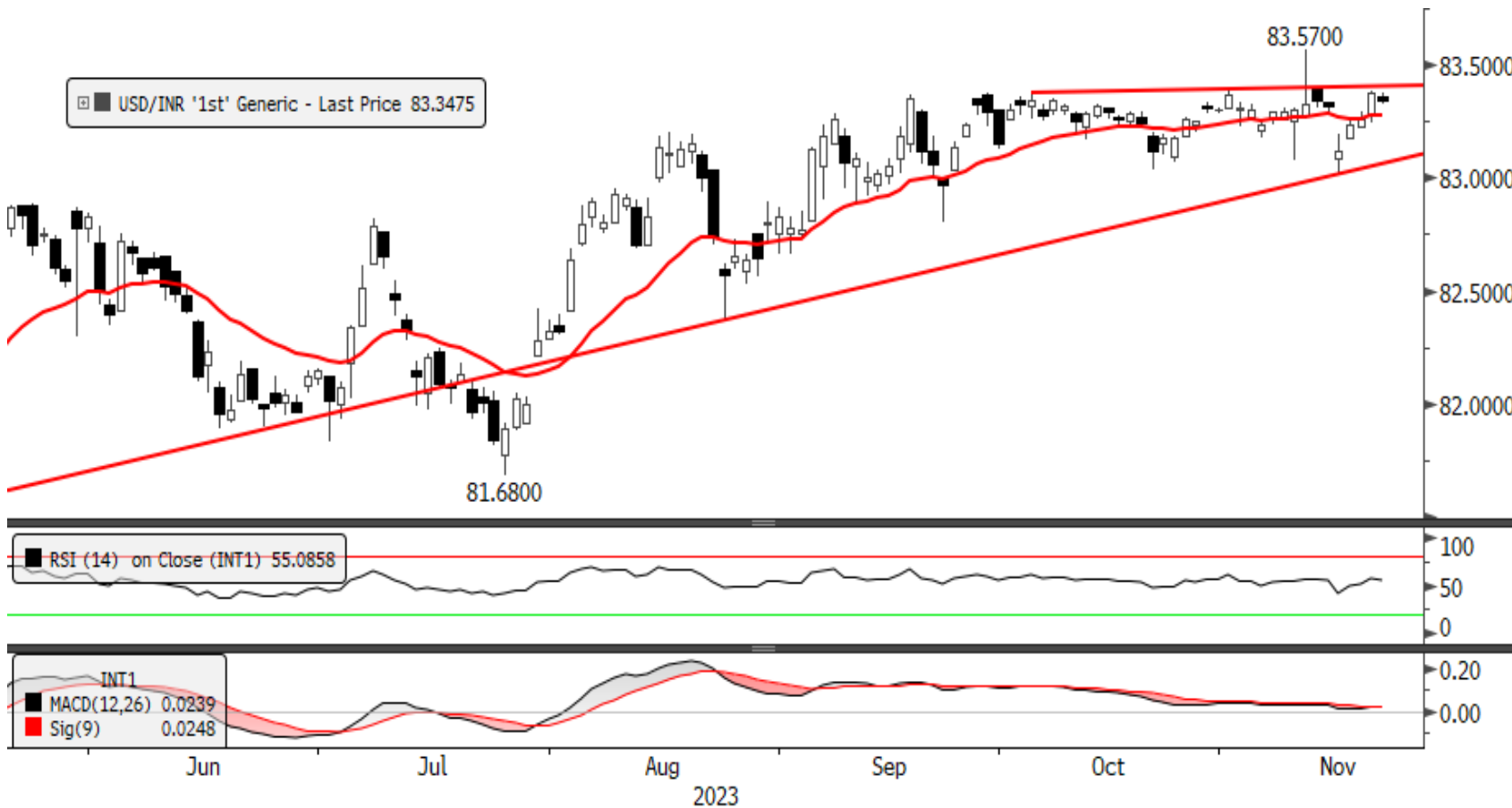
Name	Current Price	Previous Close	Change	% Change
Nifty	19783	19694	89	0.45%
Sensex	65931	65655	276	0.42%
Hang Seng	17712	17734	-21	-0.12%
Nikkie	33559	33354	205	0.62%
Shanghai	3062	3068	-6	-0.19%
S&P Index	4538	4547	-9	-0.20%
Dow Jones	35088	35151	-63	-0.18%
Nasdaq	15934	16027	-93	-0.58%
FTSE	7482	7496	-14	-0.19%
CAC	7229	7247	-17	-0.24%
DAX	15901	15901	-1	-0.01%

* Prev. Close 5pm IST

Market Roundup

- ▶ Most Asian currencies were stronger against the dollar on Tuesday, led by Taiwan's dollar amid a boom in the local stock market. The yuan gained in both onshore and overseas trading to appreciate past the daily currency fixing set by the PBOC for the first time since July.
- ▶ However, the rupee, which is currently trading close to its all-time low, has not benefited from the surge in Asian currencies caused by the U.S. dollar's decline in anticipation of a rate reduction by the Federal Reserve next year.
- ▶ S&P Global Ratings states that because of India's focus on its own domestic market, the country's economy will be somewhat less affected by global uncertainty.
- ▶ India's sovereign notes fell for a second straight session amid fears of bond sale in the open market by the central bank to keep liquidity conditions tight.
- ▶ The FOMC united around a strategy to "proceed carefully" on rate moves and make any further hikes contingent on progress toward their price target, minutes from their last meeting showed.
- ▶ Fed officials stressed that while inflation had moderated in the past year, more evidence was needed for them to be confident that the 2% goal was within reach. The dollar index recovered from a multi month low post-FOMC meeting minutes.
- ▶ The USD/INR pair has traded within a range of 82.80–83.40 since September, and we anticipate the same trend will continue in the short term. Implied openings from forwards suggest the spot may start trading around 83.33.

USDINR Nov Futures Daily Chart



INT1 Curncy (USD/INR '1st' Generic) WHITE CHART Daily 21MAY2023-21NOV2023 Copyright© 2023 Bloomberg Finance L.P. 21-Nov-2023 19:27:40

Technical Observations:

- ▶ USDINR Nov Fut consolidated in the upper end range, and the pair retested short-term resistance at 83.40.
- ▶ The pair is settled above the short-term moving average of 21 days.
- ▶ Momentum Oscillator, RSI of 14 days period turned positive and is placed above 50 on the daily chart.
- ▶ MACD has been placed above a zero line with a flattish note.
- ▶ Long unwinding has been seen as price along with open interest fell.
- ▶ **Short Term Trend: Neutral**
- ▶ **Expected Trading Range: 83.15 to 83.55**
- ▶ **Intraday Recommendation: Sell USDINR Nov. Fut. at 83.36/83.48 SL 83.53 Target 83.16**

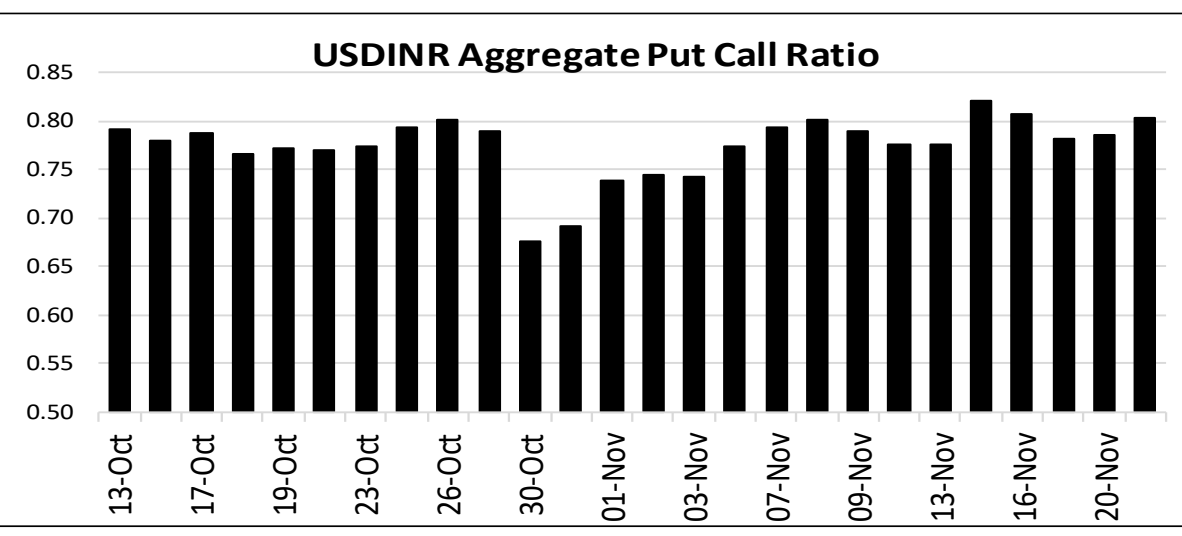
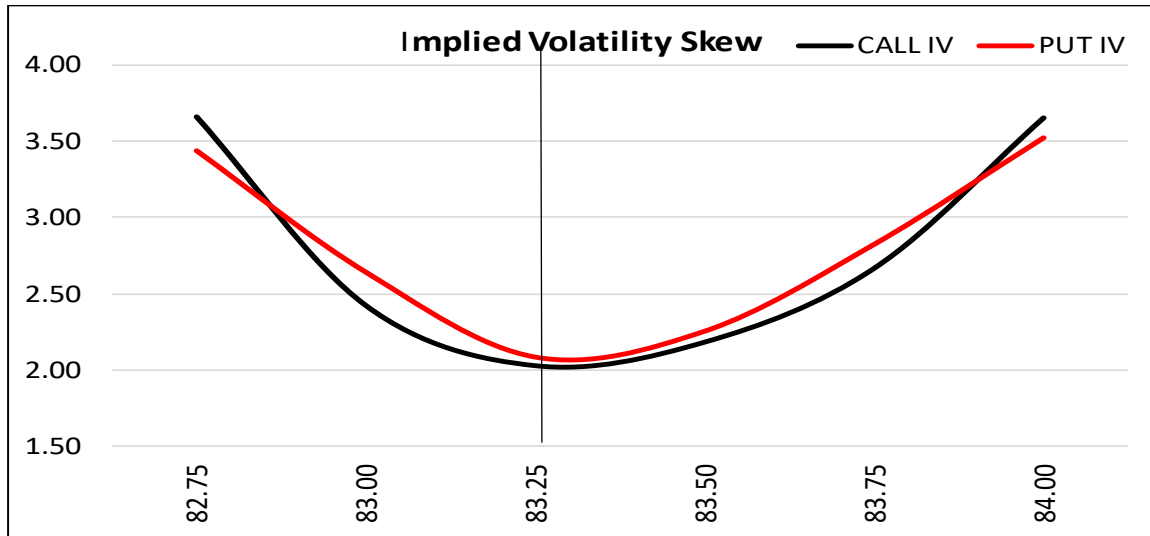
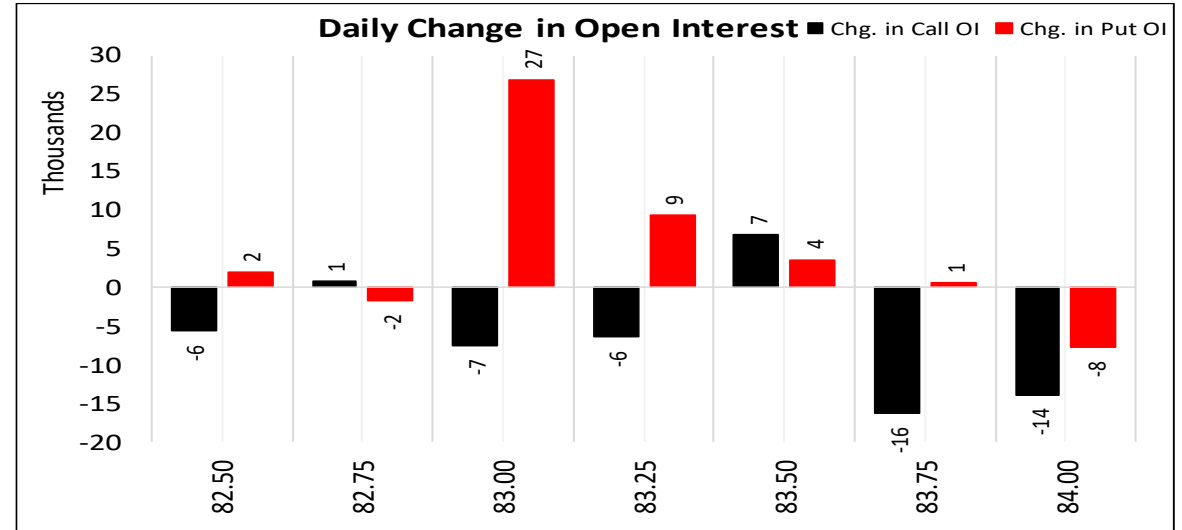
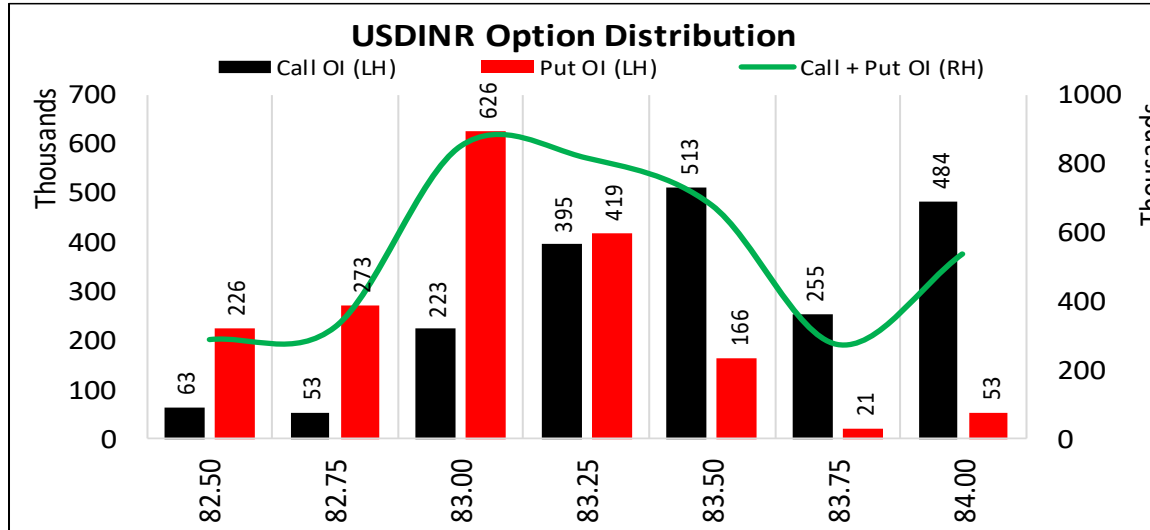
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Nov Fut	83.3600	83.3800	83.3300	83.3475	-0.04%	4,629,413	-1.8%	8,133,230	0.4%	1,334,262	-17.3%
EURINR Nov Fut	91.2950	91.4000	91.1525	91.1900	0.12%	152,267	-9.8%	305,511	0.9%	156,185	-12.8%
GBPINR Nov Fut	104.4075	104.5725	104.3200	104.4050	0.45%	182,068	2.8%	294,464	7.8%	221,288	25.6%
JPYINR Nov Fut	56.3600	56.7000	56.3600	56.5000	0.31%	81,076	-17.0%	113,863	-8.4%	145,916	11.6%
EURUSD Nov Fut	1.0960	1.0962	1.0939	1.0941	0.17%	1,675	4.3%	1,695	4.3%	223	-61.3%
GBPUSD Nov Fut	1.2532	1.2538	1.2517	1.2524	0.46%	858	0.4%	875	0.3%	103	-4.6%
USDJPY Nov Fut	147.31	147.66	147.09	147.61	-0.27%	547	-2.7%	820	-1.8%	56	-86.0%

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	83.35	83.35	83.25	83.30	83.33	83.38	83.40	83.45	83.27	83.29	52.97
EURINR Nov Fut	91.19	91.25	90.75	91.00	91.10	91.34	91.50	91.74	90.68	89.17	73.19
GBPINR Nov Fut	104.41	104.43	103.93	104.18	104.29	104.55	104.69	104.94	103.73	102.21	66.33
JPYINR Nov Fut	56.50	56.52	55.84	56.18	56.34	56.68	56.86	57.20	55.86	55.69	60.74
EURUSD Nov Fut	1.0941	1.0947	1.0901	1.0924	1.0933	1.0956	1.0970	1.0993	1.0892	1.0705	71.07
GBPUSD Nov Fut	1.2524	1.2526	1.2484	1.2505	1.2515	1.2536	1.2547	1.2568	1.2424	1.2260	61.48
USDJPY Nov Fut	147.61	147.45	146.31	146.88	147.25	147.82	148.02	148.59	149.08	149.71	39.90

USDINR Oct Month Option Charts



Disclosure:

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