

HDFC securities Retail Research

Currency Daily

19 March 2024



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	82.913	82.886	0.026	0.03%
DXY Index	103.61	103.38	0.23	0.22%
EURUSD	1.0873	1.089	-0.002	-0.14%
GBPUSD	1.2726	1.275	-0.002	-0.20%
USDJPY	149.22	148.73	0.490	0.33%
USDCNH	7.2068	7.204	0.003	0.04%
US 10 Yr. Yield	4.320	4.269	0.051	1.21%
USDINR 1M FWD	83.01	82.93	0.08	0.10%
India 10 Yr. Yield	7.089	7.064	0.025	0.35%

Global Equity Markets

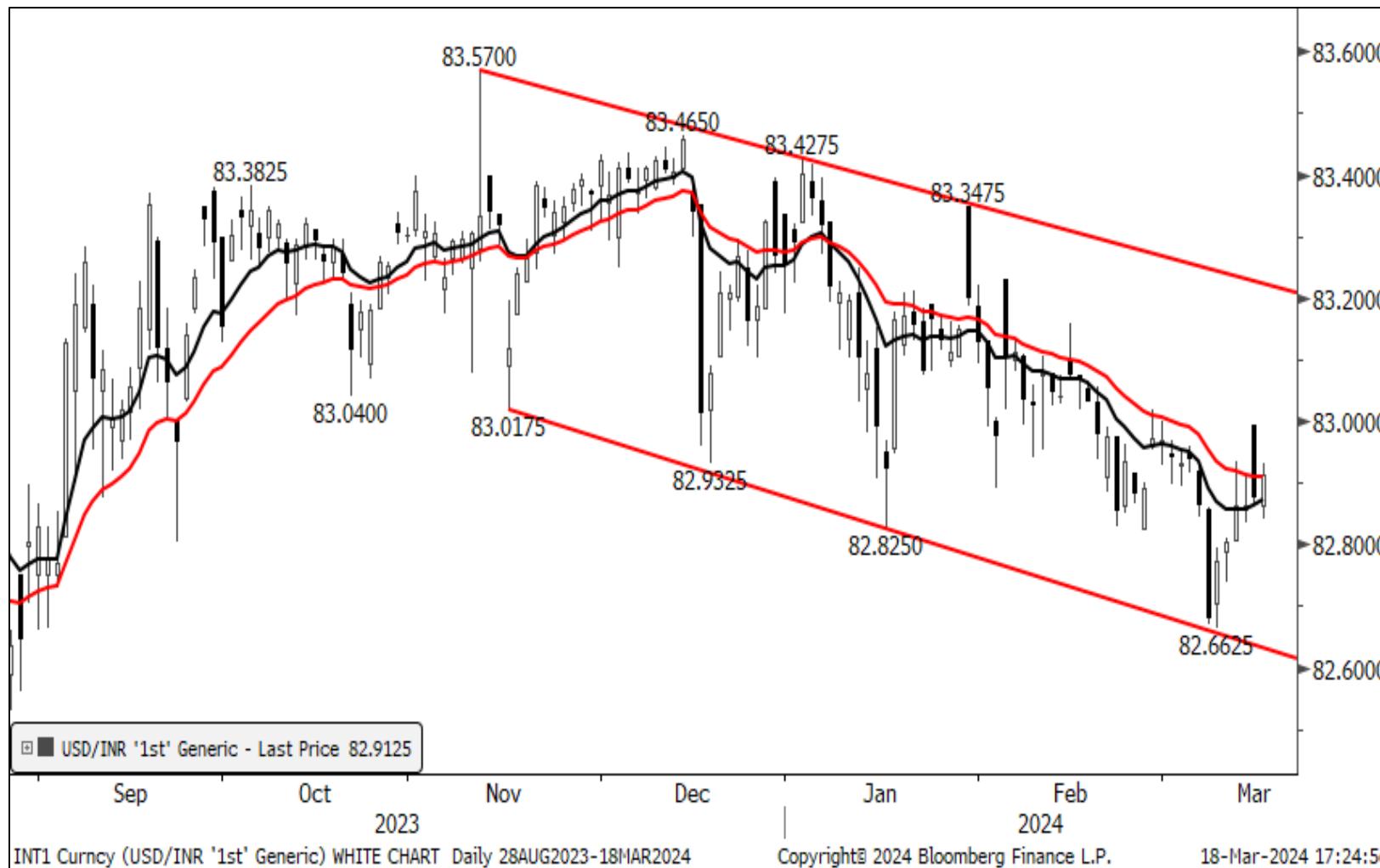
Name	Current Price	Previous Close	Change	% Change
Nifty	22056	22023	32	0.15%
Sensex	72748	72643	105	0.14%
Hang Seng	16631	16737	-106	-0.63%
Nikkie	39471	39740	-270	-0.68%
Shanghai	3081	3085	-4	-0.13%
S&P Index	5149	5117	32	0.63%
Dow Jones	38790	38715	76	0.20%
Nasdaq	17985	17808	177	0.99%
FTSE	7723	7727	-5	-0.06%
CAC	8148	8164	-16	-0.20%
DAX	17933	17937	-4	-0.02%

* Prev. Close 5pm IST

Market Roundup

- The Indian rupee could open lower following an overnight surge in the greenback and crude oil price. The forward markets indicate that USDINR could open around 83 and head towards 83.15. On Monday, the spot USDINR stayed calm ahead of major central banks policy decisions.
- Technical setup for the pair has turned positive for the short term with higher side resistance at 83.15 and support shifted to 82.80. However, the medium-term trend remains bearish as long as it trades below 83.30.
- Asian equities slipped before a Bank of Japan policy decision where authorities are likely to bring an end to the world's last negative rates regime. The S&P 500 halted a three-day slide, the Nasdaq 100 rose 1% and a gauge of the "Magnificent Seven" tech megacaps climbed twice as much.
- The yen held steady against its Group-of-10 peers as investors await a policy rate decision from the Bank of Japan. Traders betting on the BOJ outcome boosted their positions in yen futures to the highest since 2007.
- An index measuring the greenback's strength rose for a third day and approached a two-week high as Treasury yields advanced. Treasury 10-year yields edged up three basis points to 4.33%. Swaps are already pricing in very little FOMC easing over the next 12 months and a hawkish dot-plot surprise could see the probability slashed to zero. That will help keep the US dollar strong.
- Pound erases gains as Investor bets on pound gains are at the highest level for 17 years, leaving the currency at risk of a pullback if the Bank of England joins peers in signalling rate cuts this week.
- Elsewhere, WTI oil prices surged 2.5% to the highest level since Nov. 3 following Ukrainian drone attacks on Russian refineries and OPEC+ supply cuts in focus.
- Investors will be keenly focused on the US central bank's projections, the dot plot, to gauge how many rate cuts policymakers are expecting to deliver this year.

USDINR March Futures Daily Chart



Technical Observations:

- ▶ *USDINR March futures took support at a lower line of the downward-sloping channel.*
- ▶ *The pair is closed above 21 DEMA.*
- ▶ *Though it has recovered in the past three days, the medium-term trend remained bearish as long as it trades below 83.20.*
- ▶ *Momentum Oscillator, RSI of 14 days indicated a short-term bounce as it has been heading higher.*
- ▶ **Short Term Trend: Short Covering**
- ▶ **Expected Trading Range: 83.15 to 82.90**
- ▶ **Intraday Recommendation: Buy USDINR Mar. Fut. at 82.99 SL 82.89 Target 83.14**

Currency Derivative Price Actions

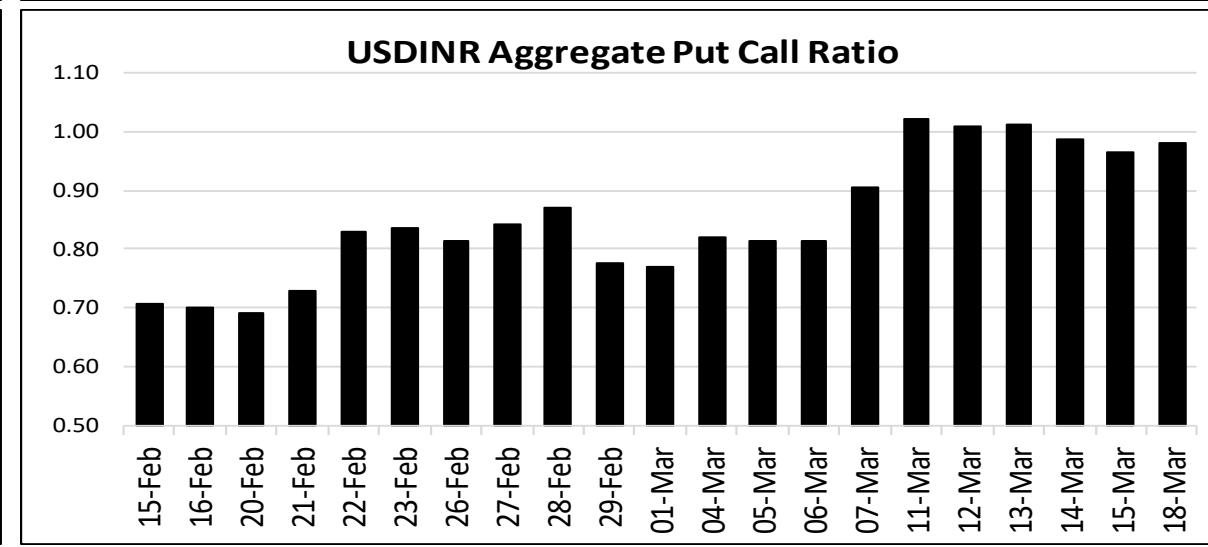
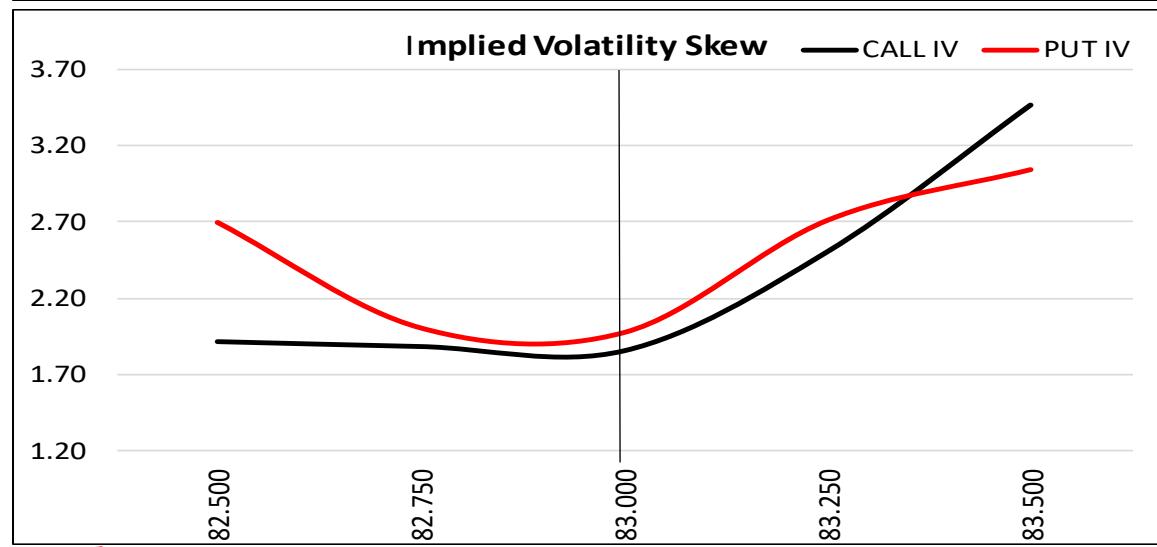
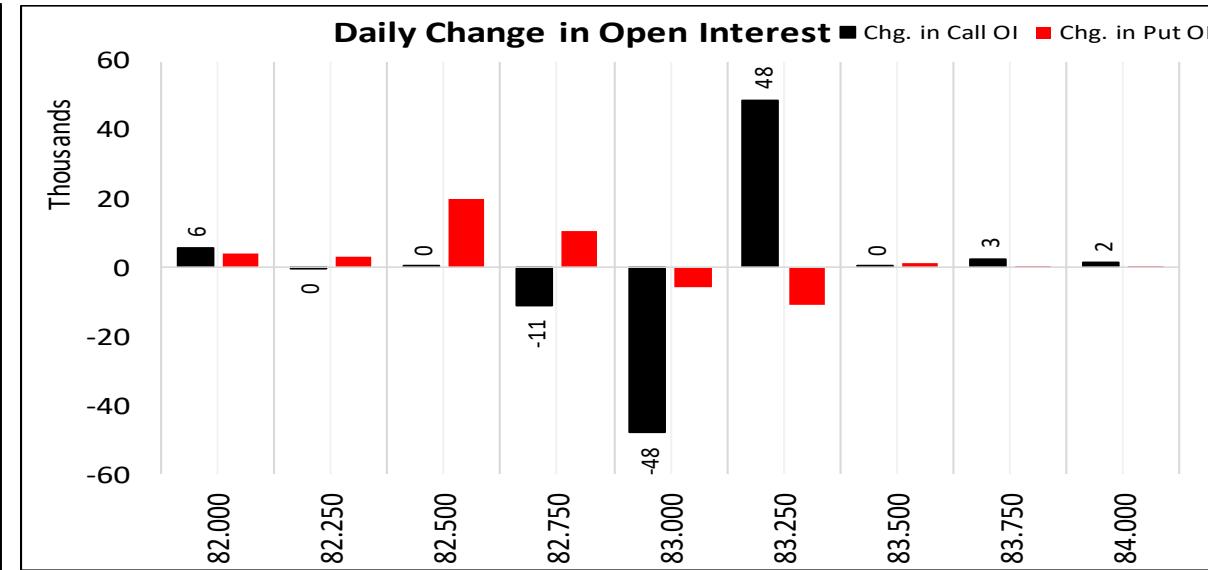
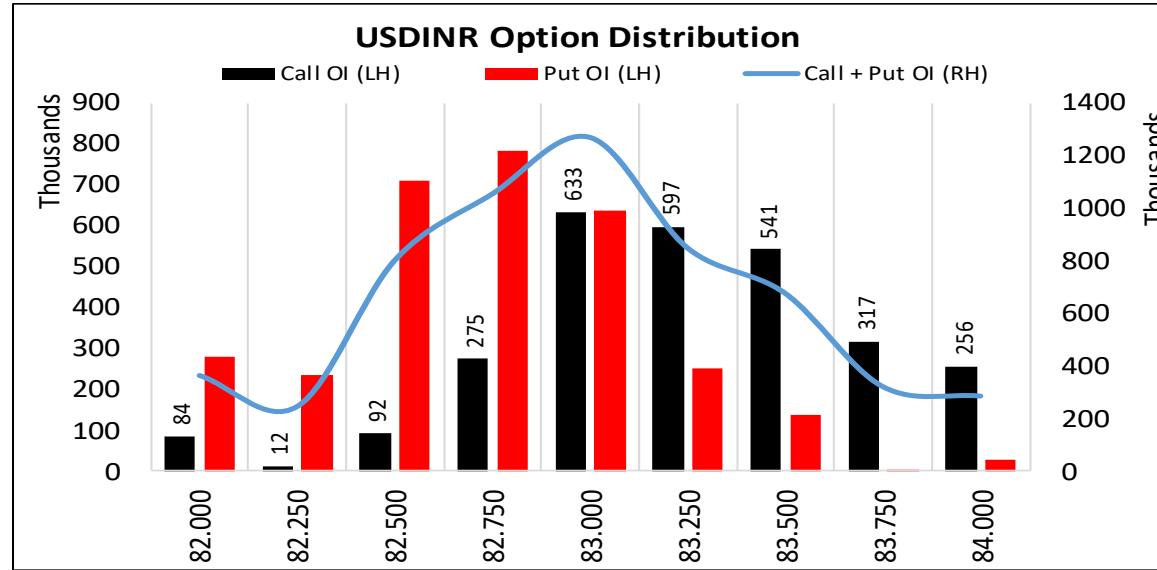
Currency Pair	Open	High	Low	Close	Prev. Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Mar Fut	82.8625	82.9325	82.8400	82.9150	82.8800	0.04%	2,858,571	-2.7%	6,351,670	-0.8%	1,118,883	-48.5%
EURINR Mar Fut	90.2600	90.4250	90.2150	90.4050	90.2600	0.16%	107,568	9.3%	203,096	5.8%	70,439	-59.6%
GBPINR Mar Fut	105.5725	105.6625	105.4525	105.5975	105.6550	-0.05%	182,184	-5.8%	319,645	-3.2%	105,841	-48.1%
JPYINR Mar Fut	55.7350	55.7450	55.6450	55.7200	55.8225	-0.18%	99,070	1.6%	128,189	7.0%	42,729	-42.8%
EURUSD Mar Fut	1.0882	1.0892	1.0882	1.0902	1.0885	0.16%	374	-3.4%	374	-3.4%	21	-92.0%
GBPUSD Mar Fut	1.2734	1.2736	1.2722	1.2734	1.2738	-0.03%	233	0.0%	235	0.0%	7	-99.7%
USDJPY Mar Fut	148.69	149.00	148.69	148.81	148.05	0.51%	103	14.4%	103	14.4%	98	122.7%

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 Mar Fut	Bullish	82.92	82.90	82.71	82.80	82.86	82.95	82.99	83.08	82.86	82.93	45.03
EURINR Mar Fut	Bearish	90.41	90.35	89.93	90.14	90.27	90.48	90.56	90.77	90.50	90.13	53.78
GBPINR Mar Fut	Bearish	105.60	105.57	105.15	105.36	105.48	105.69	105.78	105.99	105.85	105.32	52.91
JPYINR Mar Fut	Bearish	55.72	55.70	55.50	55.60	55.66	55.76	55.80	55.90	56.05	55.75	42.63
EURUSD Mar Fut	Bearish	1.0902	1.0892	1.0872	1.0882	1.0892	1.0902	1.0902	1.0912	1.0921	1.0863	54.24
GBPUSD Mar Fut	Bearish	1.2734	1.2731	1.2703	1.2717	1.2725	1.2739	1.2745	1.2759	1.2770	1.2696	53.70
USDJPY Mar Fut	Bullish	148.81	148.83	148.21	148.52	148.67	148.98	149.14	149.45	147.80	149.07	53.24

* Trend Auto generated with the help of Moving Average

USDINR March Month Option Charts



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