

HDFC Securities Retail Research

Currency Insights Weekly

04 March 2024



Currency Movements

Name	01-Mar-24	23-Feb-24	Change	% Change
Spot USDINR	82.9088	82.9487	-0.040	-0.05%
DXY Index	103.861	103.936	-0.075	-0.07%
EURUSD	1.0837	1.0821	0.002	0.15%
GBPUSD	1.2655	1.2672	-0.002	-0.13%
USDJPY	150.12	150.51	-0.390	-0.26%
USDCNH	7.2113	7.2057	0.006	0.08%
USDINR 1M FWD	82.96	82.98	-0.020	-0.02%
India 10 Yr. Yield	7.057	7.076	-0.019	-0.27%
US 10 Yr. Yield	4.1798	4.248	-0.068	-1.61%

Global Indices

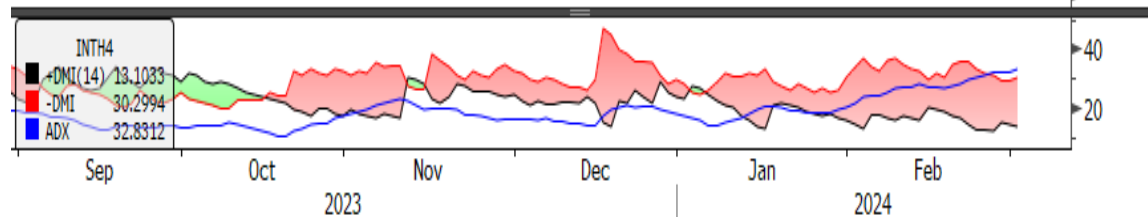
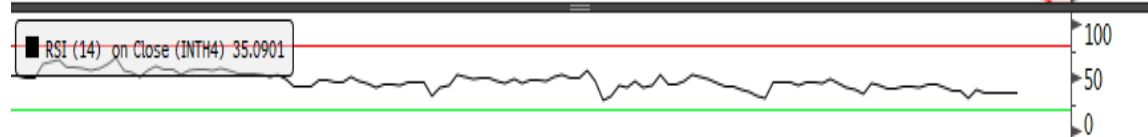
Name	01-Mar-24	23-Feb-24	Change	% Change
Nifty	22338.8	22212.7	126	0.57%
Sensex	73745.4	73142.8	603	0.82%
Hang Seng	16589.4	16725.9	-136	-0.82%
Nikkei	39910.8	39098.0	813	2.08%
Shanghai	3027.0	2910.5	116	4.00%
S&P Index	5137.1	5088.8	48	0.95%
Dow Jones	39087.4	39131.5	-44	-0.11%
Nasdaq	18302.9	17937.6	365	2.04%
FTSE	7682.5	7706.3	-24	-0.31%
CAC	7934.2	7966.7	-33	-0.41%
DAX	17735.1	17419.3	316	1.81%

Market Round-up

- The Indian rupee ended positive against the US dollar for the second straight week, supported by robust domestic macroeconomic data and foreigners' inflow.
- Foreigners stepped up purchases of the nation's bonds, and inflows related to MSCI-related changes boosted the local currency. However, further appreciation in the rupee is capped by higher crude oil prices. Crude oil prices rose more than 4.0% last week.
- Other Asian currencies were mixed against the greenback, with largely range-bound moves affected by local data. The dollar index, which gauges the greenback's strength against a basket of six currencies, dipped marginally by 0.07 percent to 103.86. While EURO registered its second consecutive weekly gain, it rose by 0.15 percent.
- **Key Developments:**
 - India's gross domestic product rose 8.4% from a year ago. GDP figures for the previous two quarters were revised to above 8% as well. The print suggests that growth is accelerating more quickly than the RBI anticipated.
 - Foreigners continue to pile into the nation's debt market with inflows at \$4.9b in the first two months of the year.
 - The most recent RBI data shows that India's foreign exchange reserves increased by \$2.975 billion to \$619.072 billion for the week that ended on February 23.
 - On the domestic equity market front, Sensex climbed 0.91 percent to settle at a new peak of 73,806. The Nifty rose 0.75 percent to close at a record of 22378.40.
- **USDINR Outlook:** The short-term outlook for the rupee is moderately positive amid strong macro data, a recorded high equity market, and positive overseas inflow. However, the uptick in crude oil prices and the fact that the RBI continues to build FX reserves act as headwinds for the local unit. The spot USDINR range is 82.50 to 83.25.

Sell USDINR Mar Fut at 83.05 SL 83.25 Target 82.60

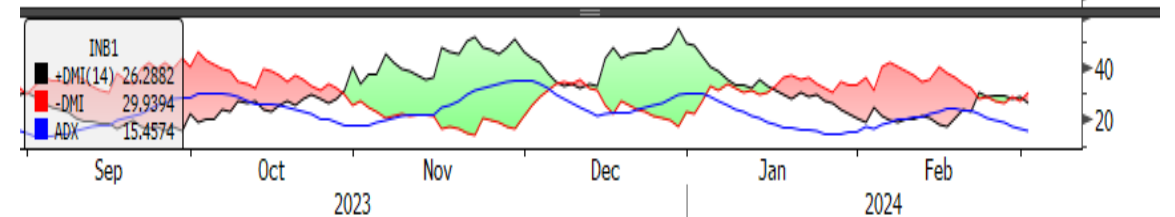
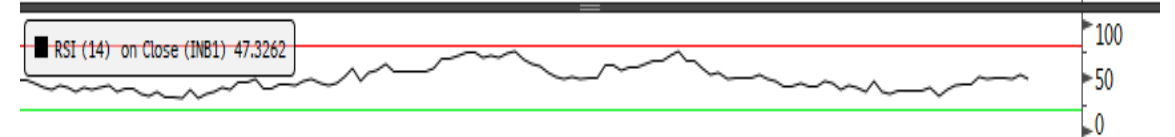
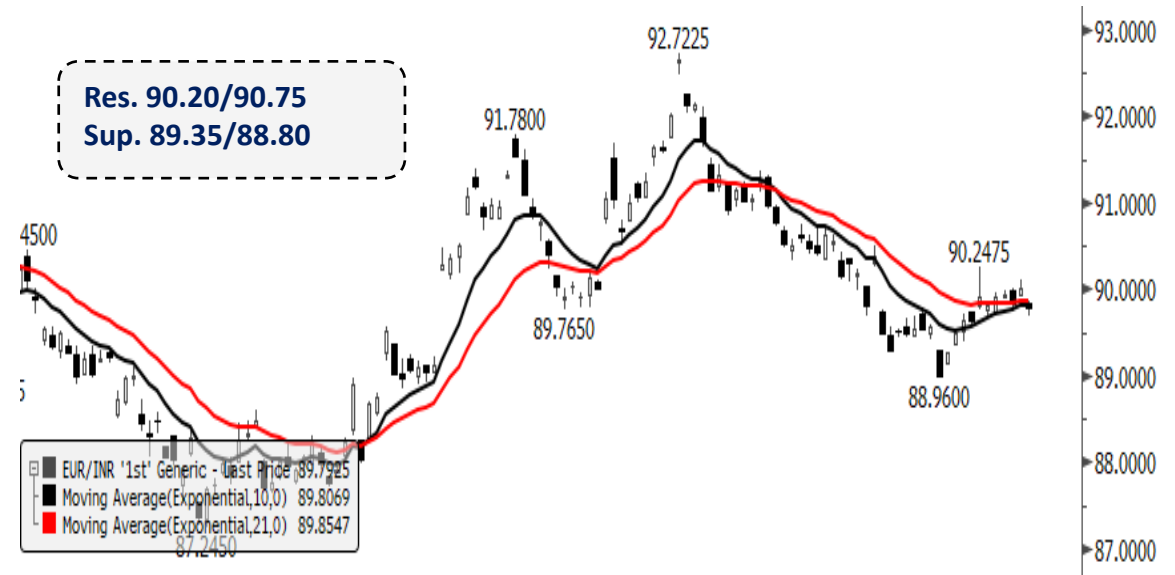
USDINR Feb Futures Daily Chart



INTH4 Currency (NSE INRUSD Future Mar24) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:32:58

Buy EURINR Mar Fut at 89.75 SL 88.80 Target 90.75

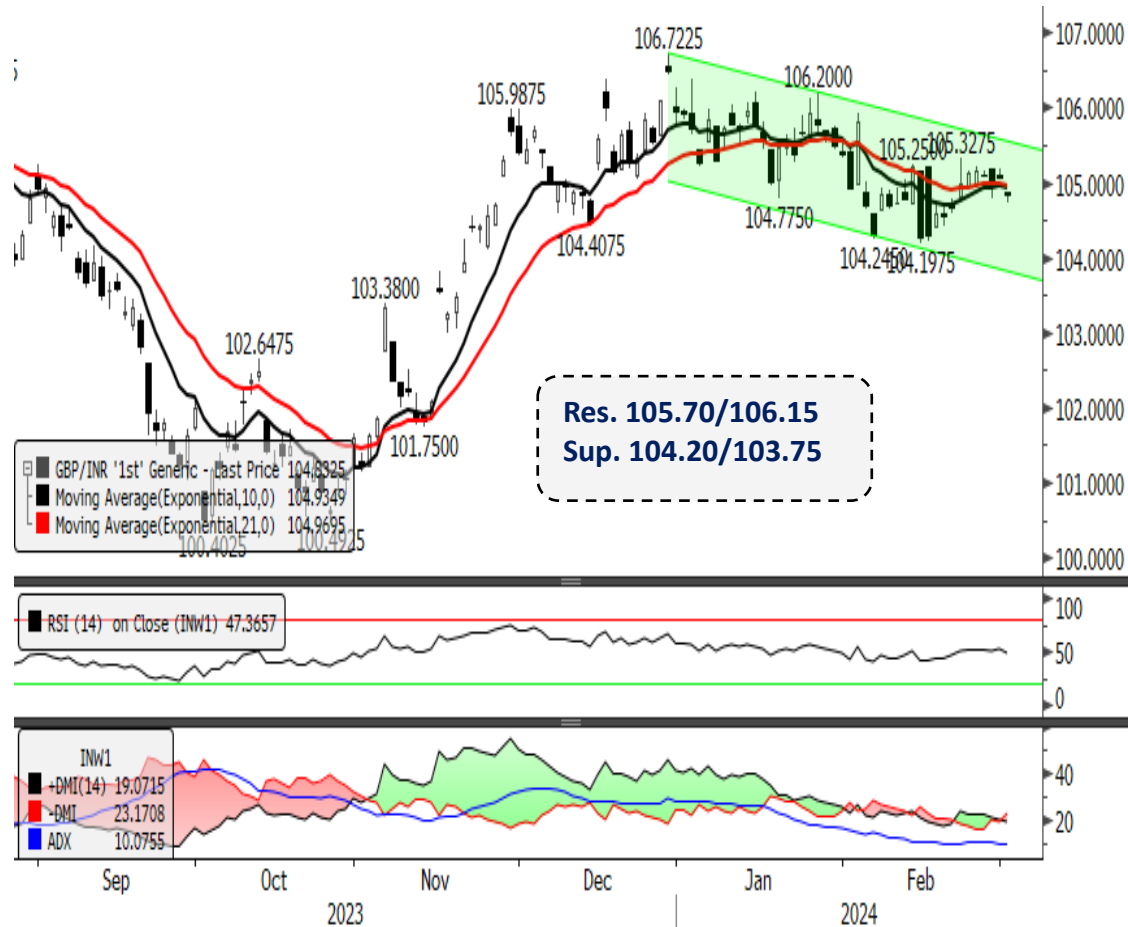
EURINR Feb Futures Daily Chart



INB1 Currency (EUR/INR '1st' Generic) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:34:38

Sell GBPINR Mar Fut 105.50 SL 106.15 Target 104.20

GBPINR Feb Futures Daily Chart



INW1 Currency (GBP/INR '1st' Generic) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:37:16

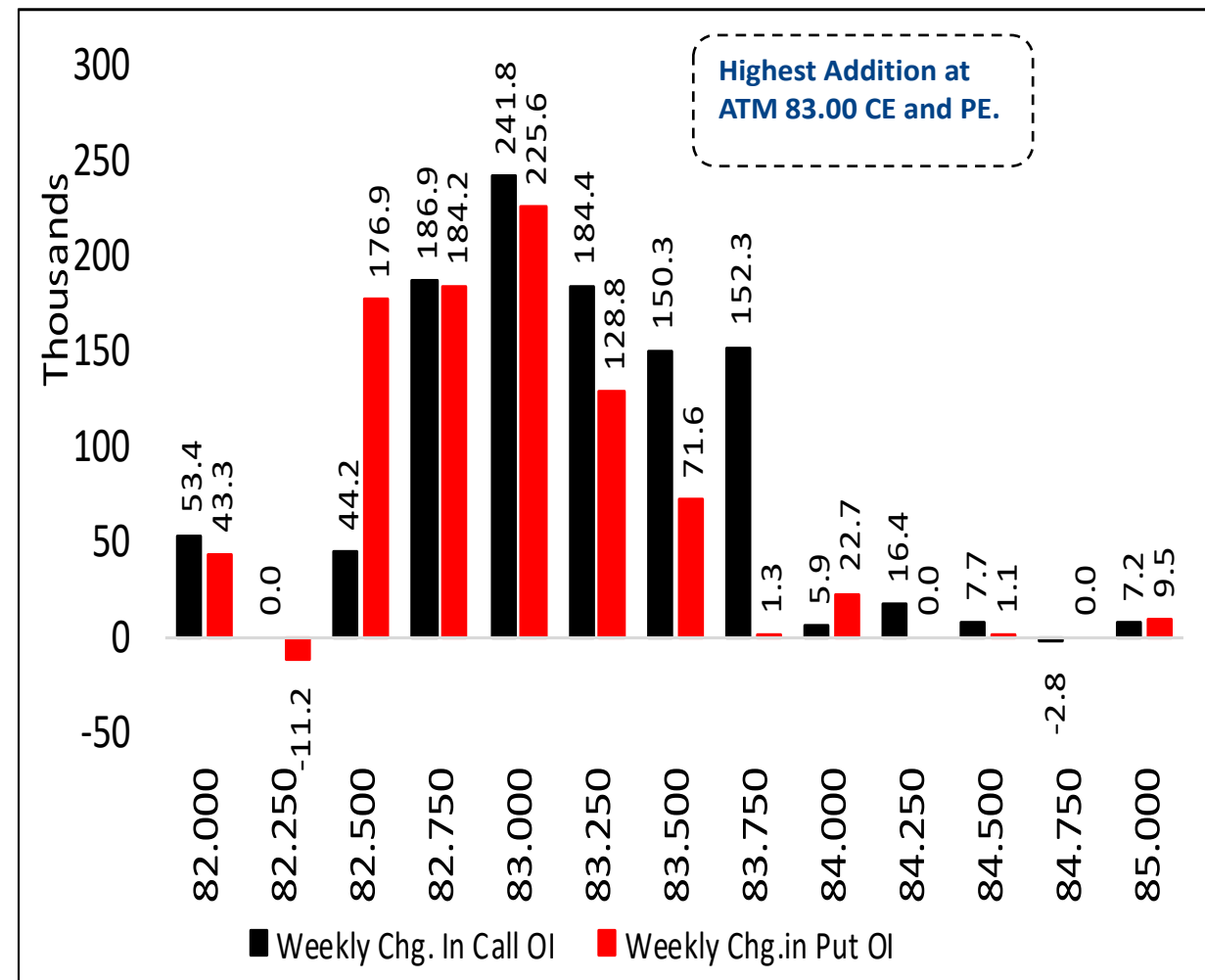
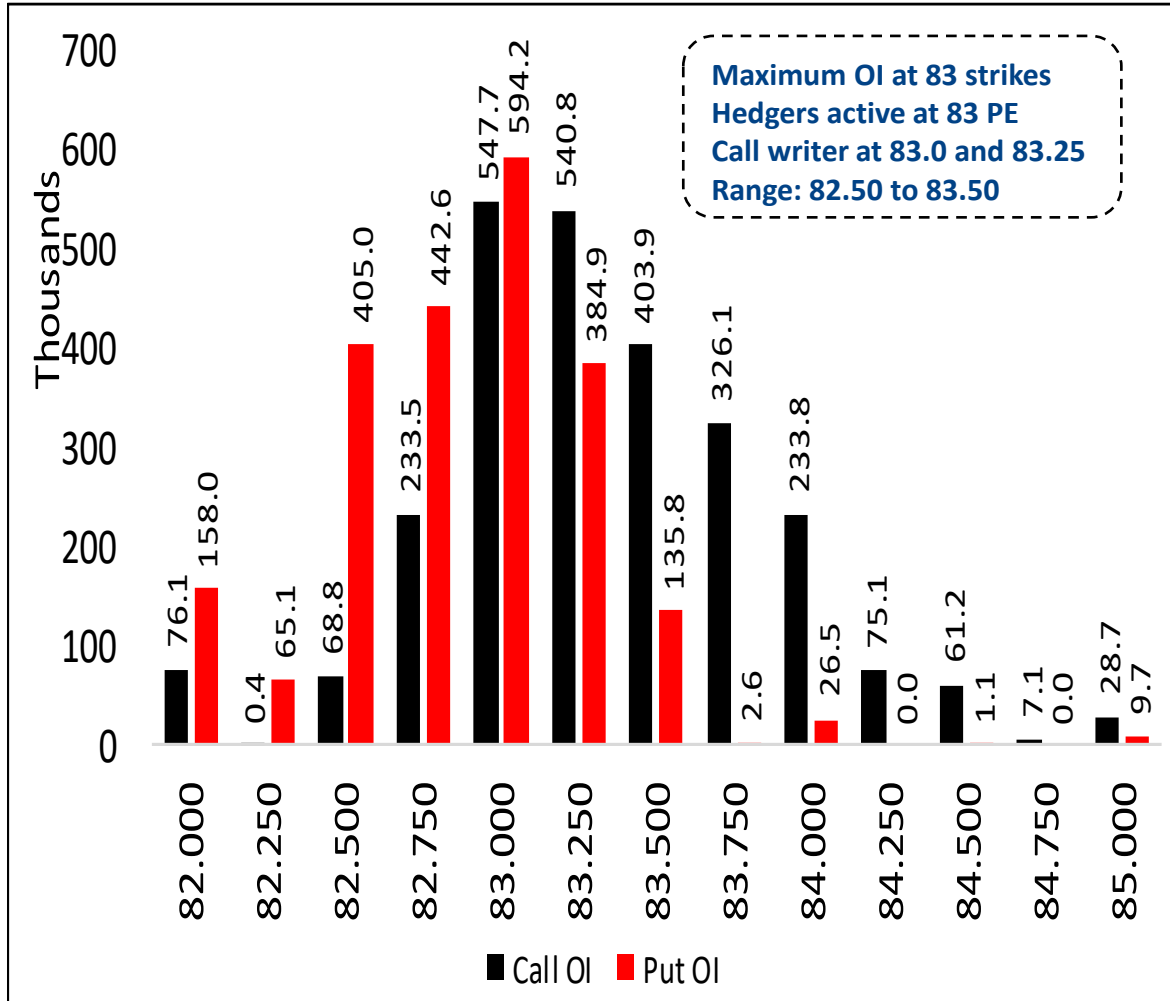
Buy JPYINR Mar Fut at 55.10 SL 54.20 Target 56.25

JPYINR Feb Futures Daily Chart



INY1 Currency (Generic 1st 'INY' Future) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:38:37

USDINR Mar Month Option Distribution



Dollar Index Daily Chart



DXY Curncy (DOLLAR INDEX SPOT) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:40:10

EURUSD Daily Chart



EURUSD Curncy (EUR-USD X-RATE) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:40:53

GBPUSD Daily Chart



GBPUSD Curncy (GBP-USD X-RATE) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:41:42

USDJPY Daily Chart



USDJPY Curncy (USD-JPY X-RATE) WHITE CHART Daily 28AUG2023-02MAR2024 Copyright© 2024 Bloomberg Finance L.P. 02-Mar-2024 20:42:21

Currency Derivative Price Actions

Currency Pair	High	Low	Close	Prev. Close	Abs. Chg.	% Change	Open Interest	Chg. in OI	Agg. OI	Chg. in Agg. OI	Volume	Chg. Volume
USDINR Future Mar 24	83.0175	82.8975	82.9450	83.0100	-0.07	-0.08%	2625191	1755301	5552619	-80800	1726358	754233
EURINR Future Mar 24	90.1950	89.6800	89.7925	89.9575	-0.16	-0.18%	114050	41425	151087	2454	184828	135268
GBPINR Future Mar 24	105.2925	104.7200	104.8325	105.2000	-0.37	-0.35%	218772	112006	275292	36418	208025	129089
JPYINR Future Mar 24	55.7450	55.3000	55.4450	55.4225	0.02	0.04%	141893	82264	161671	18812	56971	33972
EURUSD Future Mar 24	1.0874	1.0818	1.0820	1.0848	0.00	-0.26%	553	469	553	-1507	162	113
GBPUSD Future Mar 24	1.2734	1.2630	1.2629	1.2654	0.00	-0.20%	55	54	56	-718	8	7
USDJPY Future Mar 24	149.9600	148.7000	149.82	150.59	-0.77	-0.51%	159	-12	159	-1240	18	-134

Technical Levels

Currency Pair	Short-term Trend	Pivot	Supt.2	Supt.1	Resi.1	Resi.2	5 DSMA	20 DSMA	50 DSMA	Upper Band	Lower Band	RSI
USDINR Future Mar 24	Bearish	82.95	82.83	82.89	83.01	83.07	82.96	83.07	83.24	83.15	82.86	35.09
EURINR Future Mar 24	Bearish	89.89	89.37	89.58	90.10	90.40	89.96	89.79	90.72	90.25	89.06	44.24
GBPINR Future Mar 24	Bearish	104.95	104.38	104.60	105.18	105.52	105.06	104.92	105.45	105.56	104.12	45.91
JPYINR Future Mar 24	Bearish	55.50	55.05	55.25	55.69	55.94	55.48	55.94	57.36	56.55	54.72	30.91
EURUSD Future Mar 24	Bearish	1.0837	1.0781	1.0801	1.0857	1.0893	1.0846	1.0799	1.0900	1.0891	1.0712	48.52
GBPUSD Future Mar 24	Bearish	1.2664	1.2560	1.2595	1.2699	1.2768	1.2671	1.2620	1.2668	1.2733	1.2530	49.07
USDJPY Future Mar 24	Bullish	149.49	148.23	149.03	150.29	150.75	149.68	149.45	145.91	151.57	146.90	59.30

Monday	Tuesday	Wednesday	Thursday	Friday
4 Mar	5 Mar	6 Mar	7 Mar	8 Mar
Japan: Capital spending	Japan, China, India, EU, UK, US: Service. PMI US: Factory orders, ISM service paid, Durable goods orders	UK: Construction PMI EU: Retail sales US: ADP Emp. Chg. JOLTS job opening, Wholesale inventory, Fed Beige Book	China: Trade Balance ECB: Monetary Policy Decision US: Trade Balance, Initial & Conti. Claims, Nonfarm Productivity	Japan: BoP, Leading index EU: GDP, Employment US: Change in unemployment, Non-farm Payrolls
11 Mar	12 Mar	13 Mar	14 Mar	15 Mar
Japan: GDP, Machine tools orders	UK: Employment Chg., claimant count India: IIP, CPI US: CPI	UK: IIP, Trade Balance, EU: IIP India: Trade Balance US: MBA Mortgage Application	India: WPI US: Retail sales, Initial & Conti. Claims	China: 1 Yr. Medium-term rate UK: Empire Mfg. US: IIP, Capacity Utilisation, Uni. of Mich. sentiments

Disclosure:

I, Saumil Gandhi, Commerce graduate authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SEBI conducted the inspection and based on their observations have issued advise/warning. The said observations have been complied with. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Research Analyst or his/her relative or HDFC Securities Ltd. does not have any financial interest in the subject company. Also Research Analyst or his relative or HDFC Securities Ltd. or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Further Research Analyst or his relative or HDFC Securities Ltd. or its associate does have/does not have any material conflict of interest.

Any holding in stock – No

HDFC Securities Limited (HSL) is a SEBI Registered Research Analyst having registration no. INH000002475.

Disclaimer:

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

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

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Mutual Funds investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.