

HDFC securities Retail Research

Currency Daily

12 December 2023



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.391	83.385	0.006	0.01%
DXY Index	103.98	104.04	-0.065	-0.06%
EURUSD	1.0767	1.0771	0.000	-0.04%
GBPUSD	1.2568	1.2581	-0.001	-0.10%
USDJPY	145.79	146.24	-0.450	-0.31%
USDCNH	7.1883	7.1916	-0.003	-0.05%
US 10 Yr. Yield	4.231	4.258	-0.027	-0.63%
USDINR 1M FWD	83.440	83.450	-0.010	-0.01%
India 10 Yr. Yield	7.283	7.27	0.013	0.18%

Global Equity Markets

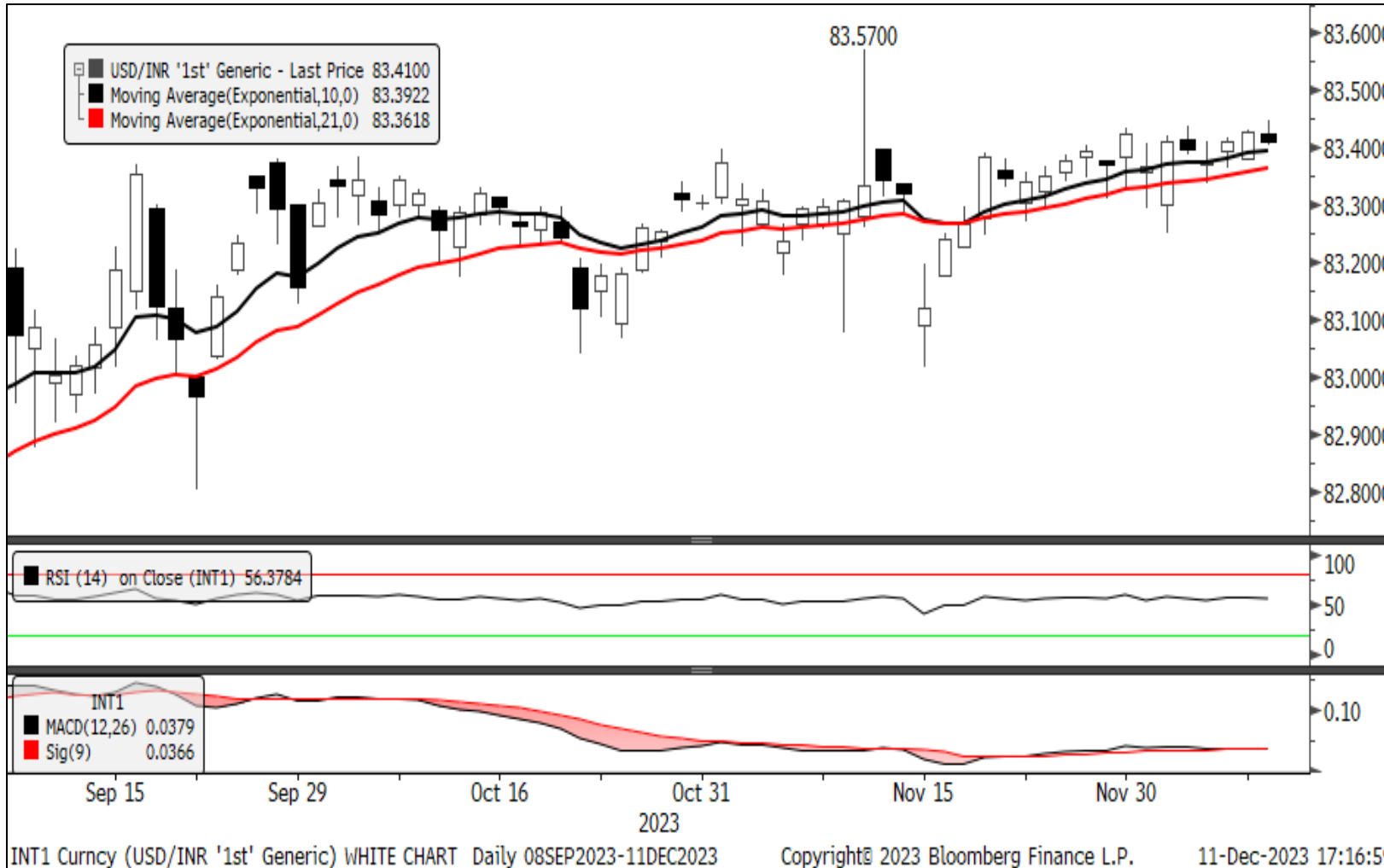
Name	Current Price	Previous Close	Change	% Change
Nifty	20997	20969	28	0.13%
Sensex	69929	69826	103	0.15%
Hang Seng	16305	16201	103	0.64%
Nikkie	32972	32792	180	0.55%
Shanghai	2991	2991	0	-0.01%
S&P Index	4622	4604	18	0.39%
Dow Jones	36405	36248	157	0.43%
Nasdaq	16222	16085	137	0.85%
FTSE	7545	7554	-10	-0.13%
CAC	7552	7527	25	0.33%
DAX	16794	16759	35	0.21%

* Prev. Close 5pm IST

Market Roundup

- ▶ The Indian rupee is expected to open slightly up following stronger regional currencies and risk-on sentiments. The implied opening from forwards suggest spot may start trading around 83.38.
- ▶ On Monday, spot USDINR was little changed at 83.3900 with thin volume. Technically, the pair is stuck between 83.25 to 83.50 since past one month. We believe the pair is expected to trade within the said range for few more days.
- ▶ Traders in India will be waiting for retail inflation data due after market hours Tuesday. India's November CPI is likely to show inflation quickening to 5.7% from 4.9% in October. A lower year-earlier base and shortages of onions and tomatoes due to unseasonal rains likely lifted food inflation.
- ▶ The dollar is trimming session gains as risk tone improves following Treasury 10-year auction results. Trading volumes were muted ahead a highly-anticipated US consumer inflation report Tuesday and Federal Reserve's policy decision Wednesday.
- ▶ Meanwhile, the yen is strengthening after its biggest decline in more than a month on Monday triggered by a report that says Bank of Japan officials see little need to rush to scrap negative interest rates this month.
- ▶ Shares in Asia rose ahead of key US economic data and meetings from major central banks that will give fresh clues about the likelihood of interest-rate cuts next year. Tuesday's consumer price index will give Wall Street a sense of whether the disinflation trend is continuing. The report will be released a day before the last scheduled Federal Reserve decision of 2023, with officials widely expected to hold rates and announce their Summary of Economic Projections.

USDINR Dec Futures Daily Chart



Technical Observations:

- ▶ USDINR Dec future formed a gravestone doji candlestick pattern, which implies a bearishness.
- ▶ However, the pair is steady above the short-term moving average of 10 days.
- ▶ Momentum Oscillator, RSI of 14 days period is almost flat 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 and open interest fell.
- ▶ **Short Term Trend: Neutral/sideways**
- ▶ **Expected Trading Range: 83.30 to 83.50**
- ▶ **Intraday Recommendation: Sell USDINR Dec. Fut. at 83.45/83.48 SL 83.53 Target 83.32**

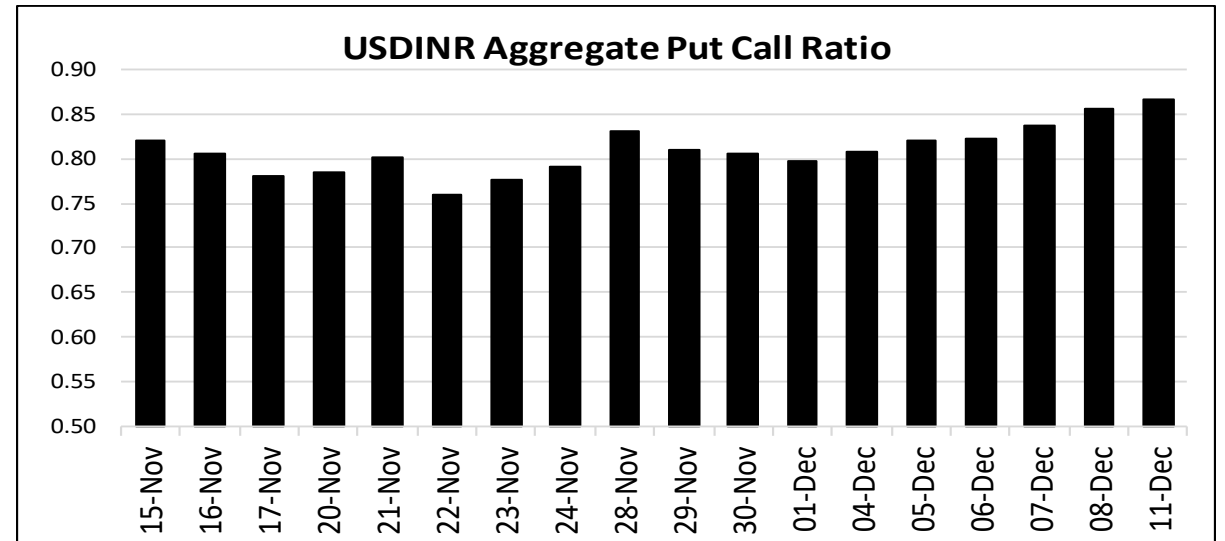
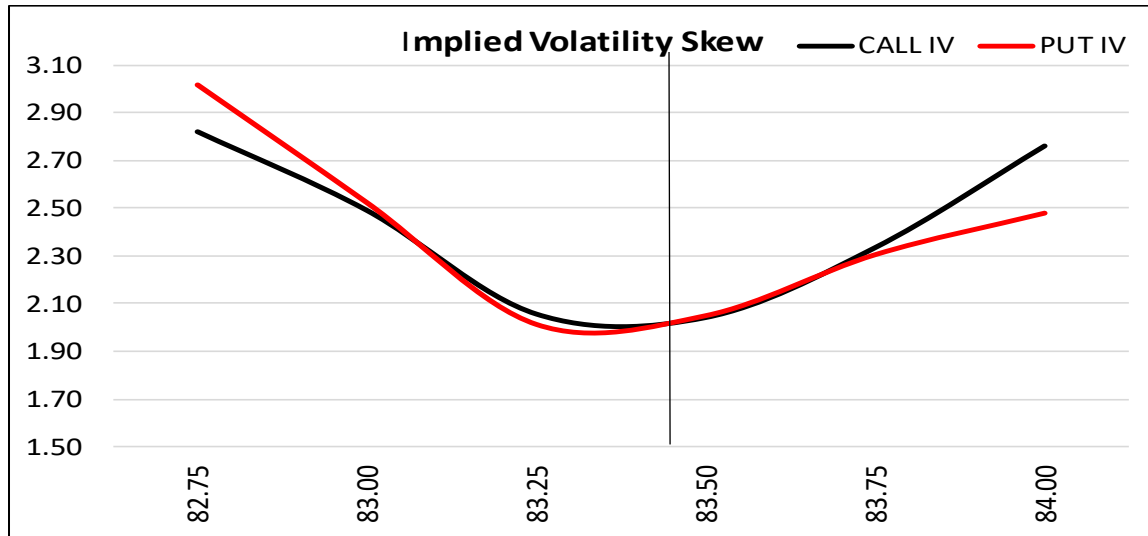
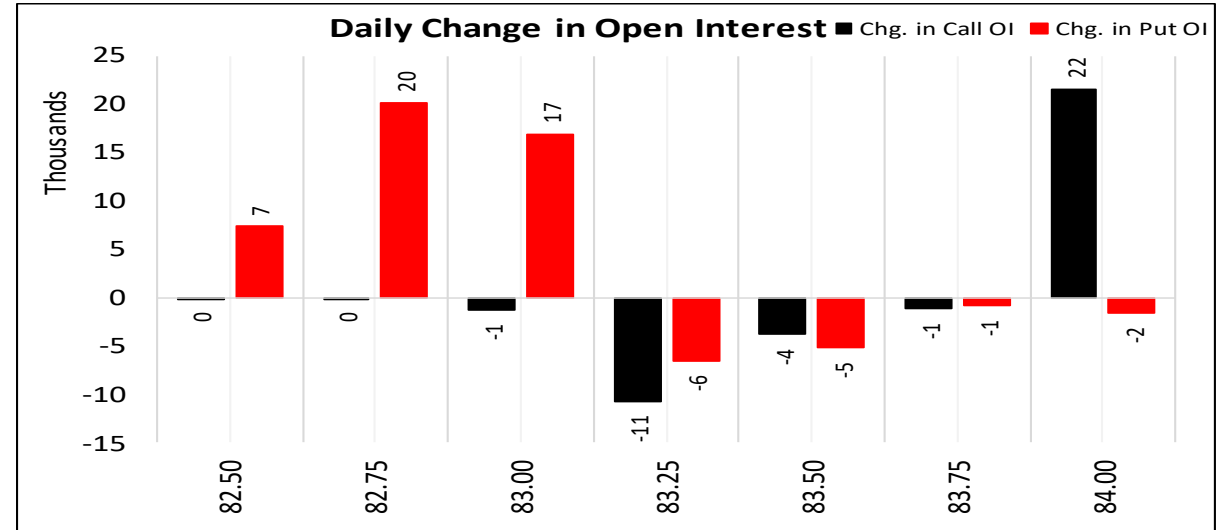
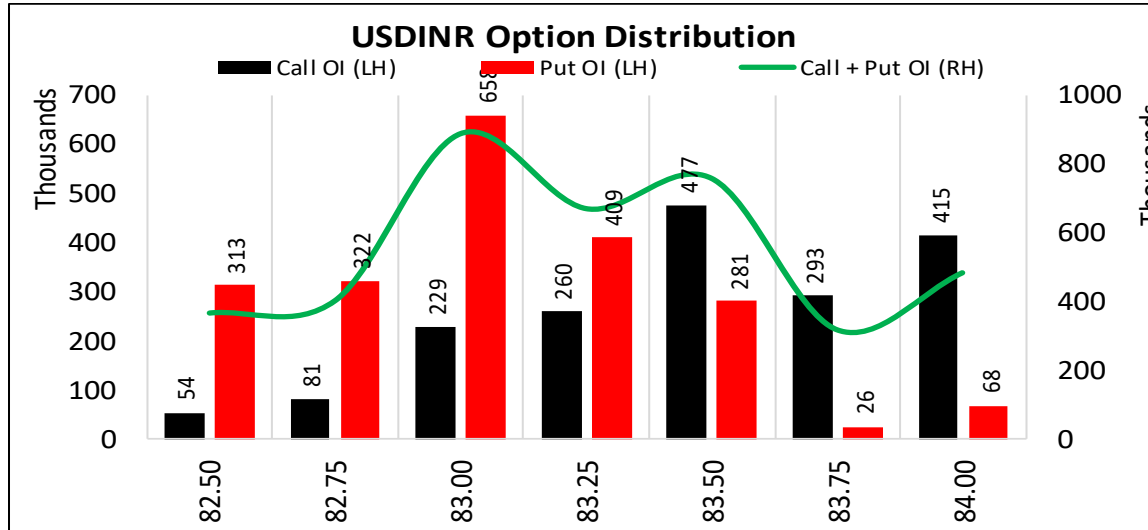
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Dec Fut	83.4225	83.4450	83.4025	83.4100	-0.02%	4,143,139	-3.6%	5,803,664	-2.5%	1,107,716	-10.8%
EURINR Dec Fut	89.9000	89.9675	89.7750	89.9075	-0.14%	156,689	3.7%	215,537	3.9%	116,510	13.2%
GBPINR Dec Fut	104.7350	104.9075	104.5600	104.8775	-0.08%	218,761	-3.2%	295,838	-2.1%	152,781	15.2%
JPYINR Dec Fut	57.6075	57.6100	57.1300	57.2025	-1.17%	63,970	-11.7%	79,563	-11.1%	150,515	-19.7%
EURUSD Dec Fut	1.0775	1.0787	1.0770	1.0783	-0.07%	1,478	-0.3%	6,657	-0.1%	32	23.1%
GBPUSD Dec Fut	1.2542	1.2579	1.2540	1.2577	-0.04%	4,831	-0.1%	14,948	0.0%	18	-5.3%
USDJPY Dec Fut	144.79	146.00	144.79	145.86	1.17%	200	-83.0%	408	-70.5%	1,085	1708.3%

Technical Levels

Currency Pair	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Dec Fut	83.41	83.42	83.33	83.38	83.39	83.44	83.46	83.50	83.40	83.38	51.79
EURINR Dec Fut	89.91	89.88	89.50	89.69	89.80	89.99	90.08	90.27	90.06	90.59	46.03
GBPINR Dec Fut	104.88	104.78	104.09	104.43	104.66	105.00	105.13	105.48	105.04	104.48	59.52
JPYINR Dec Fut	57.20	57.31	56.35	56.83	57.02	57.50	57.79	58.27	57.30	56.53	56.56
EURUSD Dec Fut	1.0783	1.0780	1.0746	1.0763	1.0773	1.0790	1.0797	1.0814	1.0796	1.0791	51.02
GBPUSD Dec Fut	1.2577	1.2565	1.2487	1.2526	1.2552	1.2591	1.2604	1.2643	1.2593	1.2481	59.09
USDJPY Dec Fut	145.86	145.55	143.13	144.34	145.10	146.31	146.76	147.97	145.60	148.02	41.84

USDINR Dec Month Option Charts



Disclosure:

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