

HDFC securities Retail Research

Currency Daily

14 February 2024



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.014	83.003	0.011	0.01%
DXY Index	104.81	104.08	0.73	0.70%
EURUSD	1.0713	1.078	-0.007	-0.61%
GBPUSD	1.2598	1.267	-0.008	-0.59%
USDJPY	150.55	149.44	1.110	0.74%
USDCNH	7.2276	7.213	0.014	0.20%
US 10 Yr. Yield	4.306	4.162	0.145	3.47%
USDINR 1M FWD	83.17	83.09	0.08	0.10%
India 10 Yr. Yield	7.099	7.095	0.004	0.06%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	21743	21616	127	0.59%
Sensex	71555	71072	483	0.68%
Hang Seng	15596	15747	-151	-0.96%
Nikkie	37673	37964	-291	-0.77%
S&P Index	4953	5022	-69	-1.37%
Dow Jones	38273	38797	-525	-1.35%
Nasdaq	17600	17883	-282	-1.58%
FTSE	7512	7574	-61	-0.81%
CAC	7625	7690	-64	-0.84%
DAX	16881	17037	-157	-0.92%

* Prev. Close 5pm IST

Market Roundup

- ▶ Hotter-than-expected US CPI data pushed the greenback higher in the US sessions. The reflection of the stronger dollar can be mirrored in Asian currencies which could open with a sharp cut. The forward markets indicate spot USDINR opening around 83.09 versus the previous close of 83.01.
- ▶ On Tuesday, spot USDINR traded in the narrow range before closing on a flat note. The pair has been lacking a directional trend since the start of the month and oscillating around 21 DEMA. Technically, it has support at 82.90 and resistance at 83.30.
- ▶ The yen advanced against all its Group-of-10 peers after Japan's currency officials warned authorities stood ready to take steps in the market if needed to curb rapid moves.
- ▶ Asian stocks followed Wall Street lower as hot US inflation data dashed hopes for Fed easing in the early part of the year. CPI topped forecasts on both a monthly and annual basis, with core rising 3.9% year on year. The S&P 500 fell about 1.4%. Two-year yields climbed about 18 basis points to around 4.65%. US futures were mixed and Treasuries added to overnight losses.
- ▶ Swap contracts referencing Fed policy meetings — which as recently as mid-January fully priced in a rate cut in May and 175 basis points of easing by the end of the year — were roiled. The odds of a May cut dropped to about 36% from about 64%, with fewer than 100 basis points anticipated this year.
- ▶ Elsewhere, Crude futures rose after the Organization of Petroleum Exporting Countries and its allies pledged significant output curbs this quarter to avert a surplus and shore up prices.
- ▶ The Asia-Pacific macro calendar is thin Wednesday ahead of Japanese GDP, while the euro area will release its combined economic growth figures for the fourth quarter and Bank of England chief Andrew Bailey is slated to deliver parliamentary testimony.

USDINR February Futures Daily Chart



Technical Observations:

- ▶ USDINR February futures ended slightly below 10 DEMA and formed a Doji candlestick pattern, exhibiting indecisiveness.
- ▶ Momentum Oscillator, RSI of 14 days period is pierced below 50 and MA.
- ▶ MACD has been placed below a zero line and flattened.
- ▶ Minor short buildup has been seen as the price declined 0.01% while OI gained 2.5%.
- ▶ **Short Term Trend: Sideways**
- ▶ **Expected Trading Range: 83.30 to 82.92**
- ▶ **Intraday Recommendation: Buy USDINR Feb. Fut. at 83.10/83.01 SL 82.95 Target 83.30**

Currency Derivative Price Actions

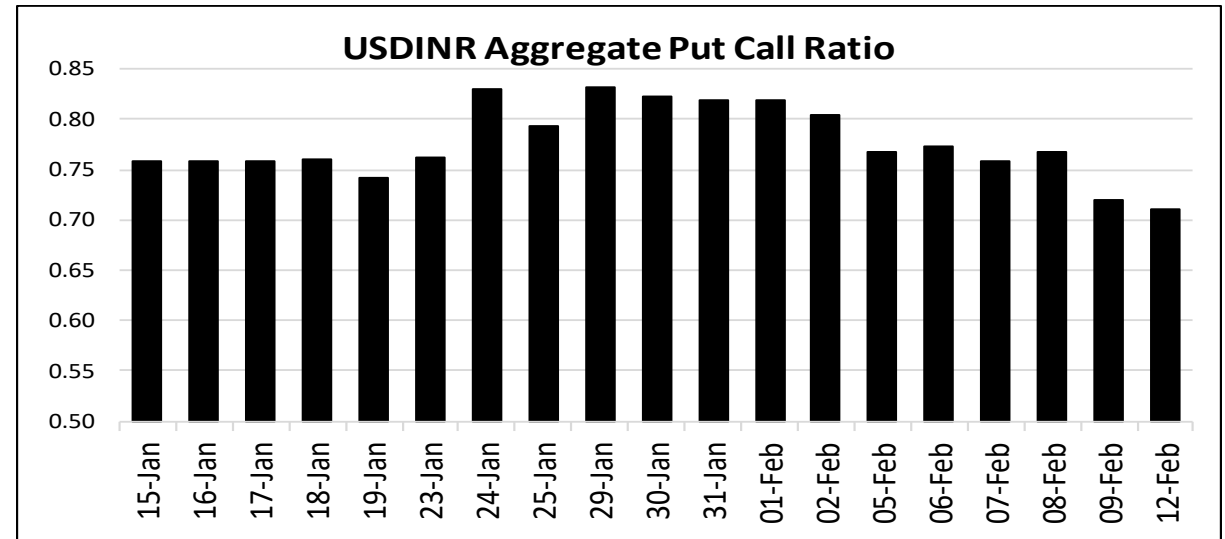
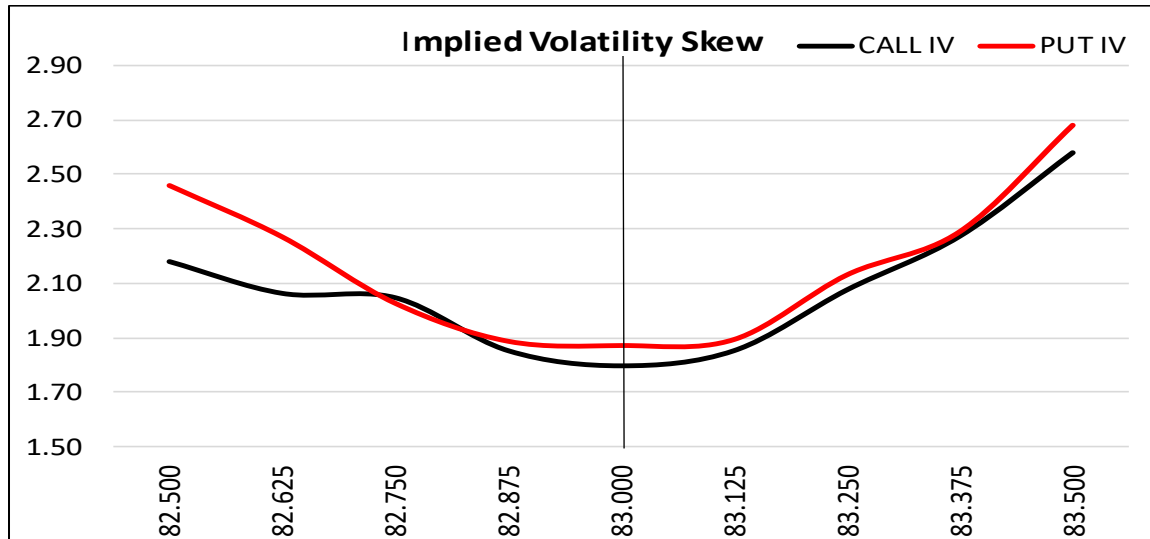
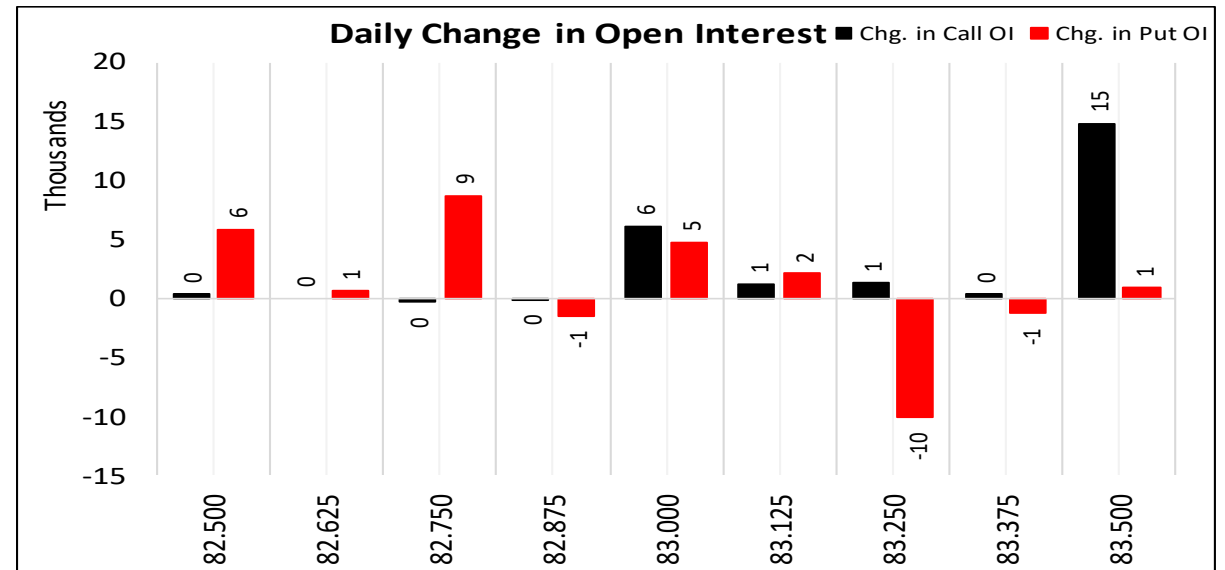
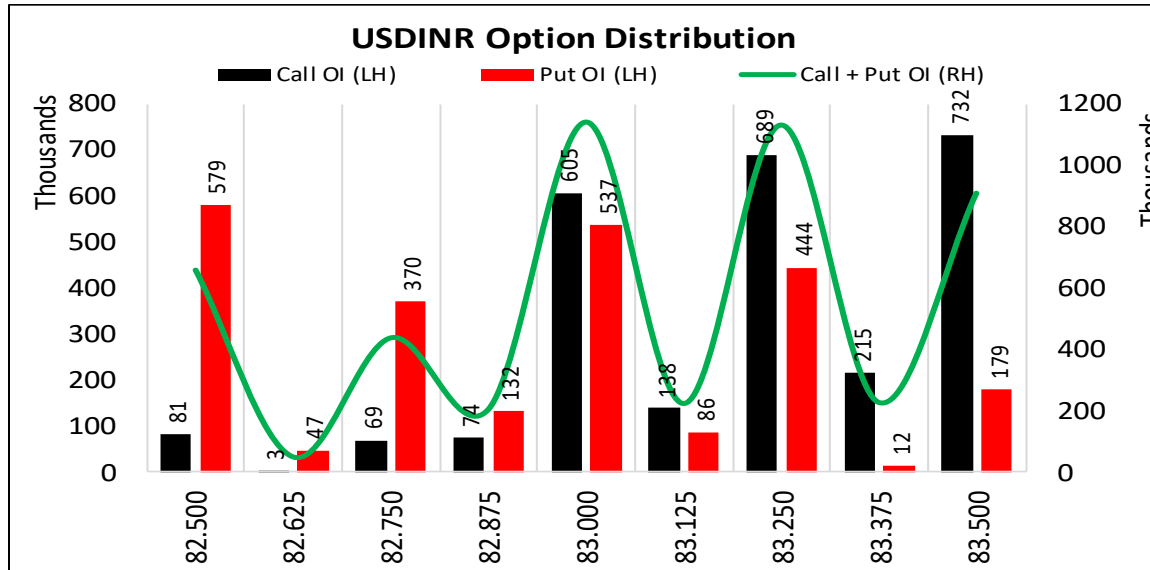
Currency Pair	Open	High	Low	Close	Prev. Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Feb Fut	83.0400	83.0750	83.0275	83.0400	83.0500	-0.01%	2,464,332	2.5%	5,489,125	1.6%	838,453	-16.9%
EURINR Feb Fut	89.5000	89.6000	89.4225	89.5725	89.5400	0.04%	145,833	0.3%	198,972	0.9%	116,455	-13.8%
GBPINR Feb Fut	104.7350	105.2500	104.7200	105.2050	104.8000	0.39%	204,847	25.0%	289,341	24.4%	278,241	50.4%
JPYINR Feb Fut	55.7275	55.7500	55.6550	55.7300	55.8900	-0.29%	133,133	2.0%	182,647	4.0%	42,921	6.7%
EURUSD Feb Fut	1.0771	1.0785	1.0771	1.0783	1.0779	0.04%	8,708	0.0%	8,711	0.0%	130	-91.2%
GBPUSD Feb Fut	1.2624	1.2670	1.2624	1.2670	1.2620	0.40%	344	-7.5%	344	-7.5%	89	-78.7%
USDJPY Feb Fut	148.95	149.25	148.93	148.98	148.79	0.13%	648	4.5%	668	7.6%	100	426.3%

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	83.04	83.05	82.95	83.00	83.02	83.07	83.10	83.14	83.05	83.13	40.93
EURINR Feb Fut	Bearish	89.57	89.53	89.18	89.35	89.46	89.64	89.71	89.89	89.53	90.15	37.42
GBPINR Feb Fut	Bearish	105.21	105.06	104.00	104.53	104.87	105.40	105.59	106.12	104.86	105.28	49.61
JPYINR Feb Fut	Bearish	55.73	55.71	55.52	55.62	55.67	55.77	55.81	55.90	55.92	56.53	30.16
EURUSD Feb Fut	Bearish	1.0783	1.0780	1.0752	1.0766	1.0774	1.0788	1.0794	1.0808	1.0779	1.0843	41.31
GBPUSD Feb Fut	Bearish	1.2670	1.2655	1.2563	1.2609	1.2639	1.2685	1.2701	1.2747	1.2629	1.2664	51.64
USDJPY Feb Fut	Bullish	148.98	149.05	148.41	148.73	148.86	149.18	149.37	149.69	148.57	147.52	63.40

* Trend Auto generated with the help of Moving Average

USDINR February Month Option Charts



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