

HDFC securities Retail Research

Currency Daily

30 November 2023



Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	83.326	83.341	-0.015	-0.02%
DXY Index	102.80	102.89	-0.091	-0.09%
EURUSD	1.0977	1.0976	0.000	0.01%
GBPUSD	1.2705	1.2678	0.003	0.21%
USDJPY	146.96	147.70	-0.740	-0.50%
USDCNH	7.1237	7.1367	-0.013	-0.18%
US 10 Yr. Yield	4.263	4.282	-0.019	-0.45%
USDINR 1M FWD	83.400	83.380	0.020	0.02%
India 10 Yr. Yield	7.251	7.277	-0.026	-0.36%

Global Equity Markets

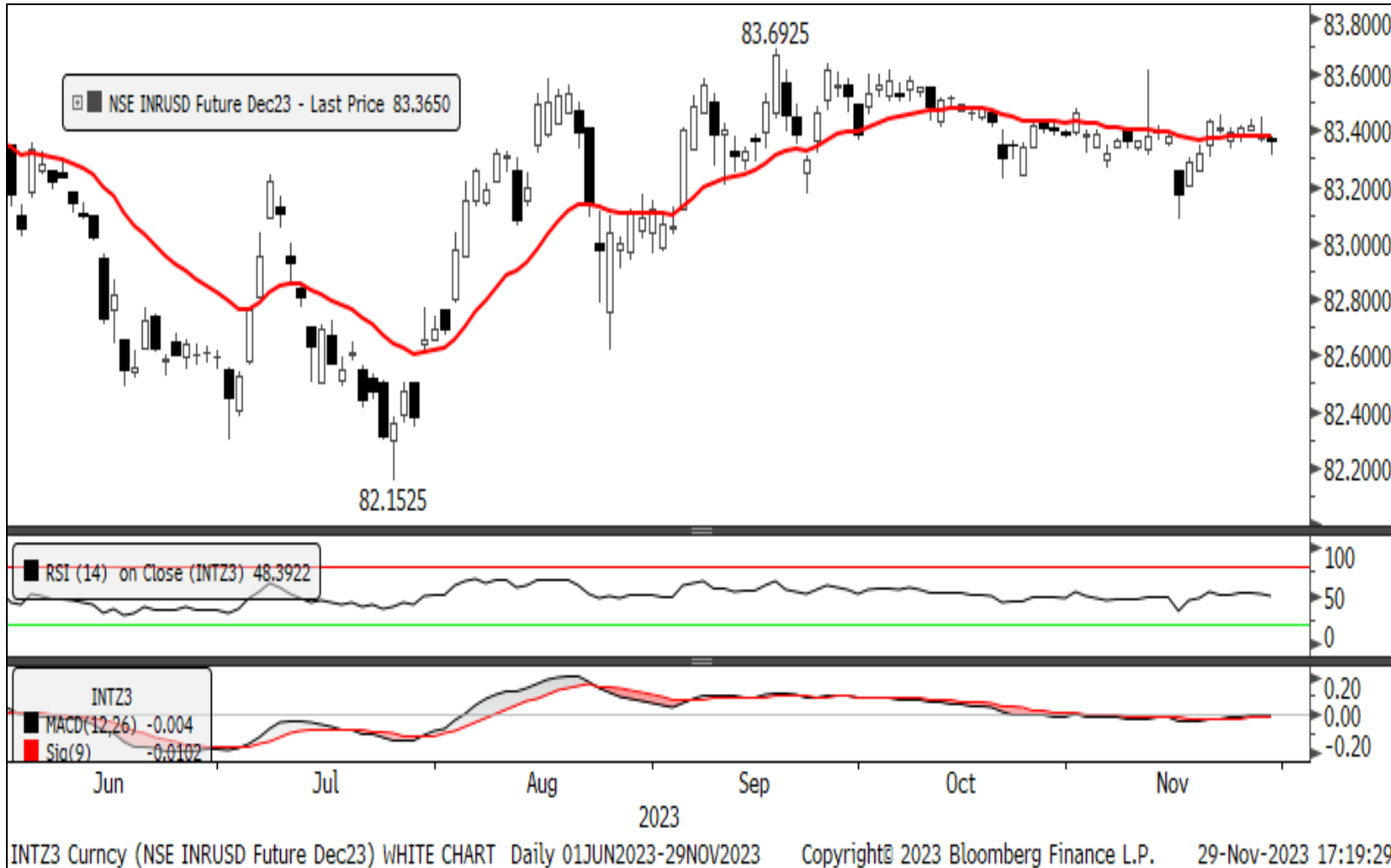
Name	Current Price	Previous Close	Change	% Change
Nifty	20097	19890	207	1.04%
Sensex	66902	66174	728	1.10%
Hang Seng	16944	16993	-49	-0.29%
Nikkie	33255	33321	-66	-0.20%
Shanghai	3023	3022	1	0.04%
S&P Index	4551	4555	-4	-0.09%
Dow Jones	35430	35417	13	0.04%
Nasdaq	15988	16010	-23	-0.14%
FTSE	7423	7455	-32	-0.43%
CAC	7268	7250	18	0.24%
DAX	16166	15993	174	1.09%

* Prev. Close 5pm IST

Market Roundup

- ▶ Spot USDINR little changed at 83.3275 and the benchmark 10-year yields fell 3bps to 7.25%, on Wednesday. The implied opening from forwards suggests the spot may start trading around 83.37. Technically, the pair is still stuck in the range of 83.10 to 83.50 amid two-way intervention from the central bank.
- ▶ **Indian traders will await September-quarter GDP data** to assess the strength of the economy and the direction of interest rates. Gross domestic product probably grew 6.8% in the three months to September from a year ago, higher than the Reserve Bank of India's estimate of 6.5%.
- ▶ Shares in Asia declined as the latest economic data from China continued to highlight a fragile economic recovery. The dollar was weaker against some Group-of-10 peers. The Japanese yen strengthened for a fifth day and hovered around 147. Elsewhere, oil inched lower after a two-day advance as traders count down to a key meeting on Thursday that may see OPEC+ extend or deepen production cuts.
- ▶ **China No Post-Holiday Bounce in Manufacturing, Services PMI:** Chinese policymakers will need to step up support in view of limited growth drivers in the near term. The official manufacturing PMI slipped to 49.4 from 49.5 in October, further below the 50 threshold between expansion and contraction. The non-manufacturing PMI fell to 50.2 from 50.6 in October.
- ▶ **US Data:** The US economy grew even faster in the third quarter than originally estimated, by 5.2% year on year despite a slightly less robust 3.6% gain in consumer spending. But the Fed's Beige Book showed economic activity slowed in recent weeks as consumers pulled back on discretionary spending.
- ▶ **Thursday's data may reinforce the soft landing narrative:** Core PCE inflation probably slowed in October, as did personal income and spending. Initial jobless claims may tick up. And Chicago's PMI probably rose to 46.0 in November from 44.0. October pending home sales may fall 2.0% month on month.

USDINR Dec Futures Daily Chart



Technical Observations:

- ▶ USDINR Dec fut closed below 21 DEMA after holding it for the past five trading sessions.
- ▶ The formation of a bearish candle with the same open and high indicating a weakness.
- ▶ Momentum Oscillator, RSI of 14 days period is turned down and placed below 50.
- ▶ MACD has been placed below a zero line with a flattish note.
- ▶ Short buildup has been seen as price and open interest declined.
- ▶ **Short Term Trend: Neutral/Sideways**
- ▶ **Expected Trading Range: 83.15 to 83.55**
- ▶ **Intraday Recommendation: Sell USDINR Dec. Fut. between 83.45/83.50 SL 83.56 Target 83.30**

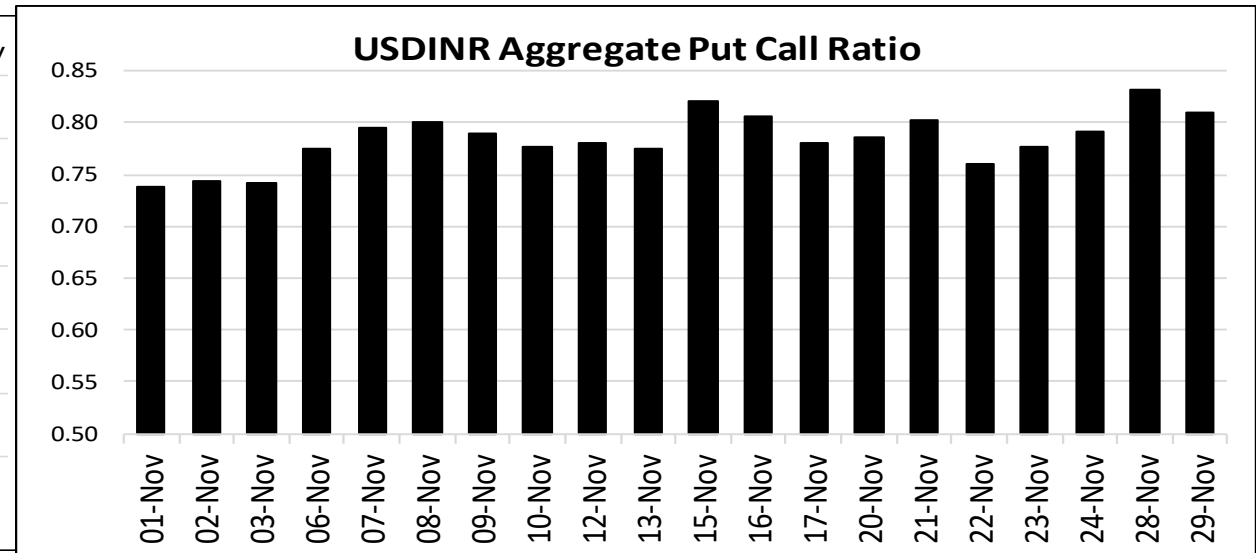
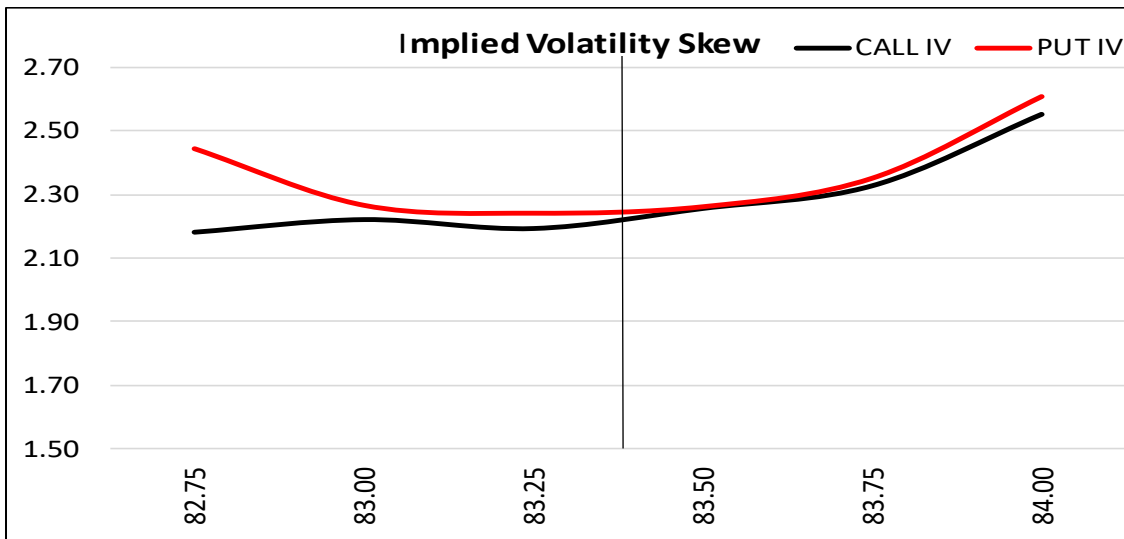
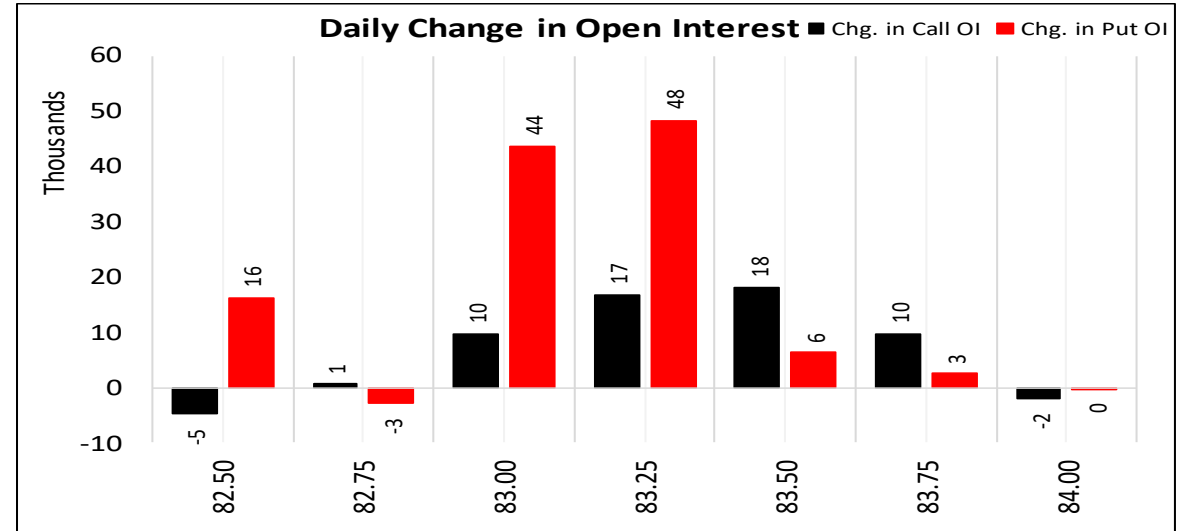
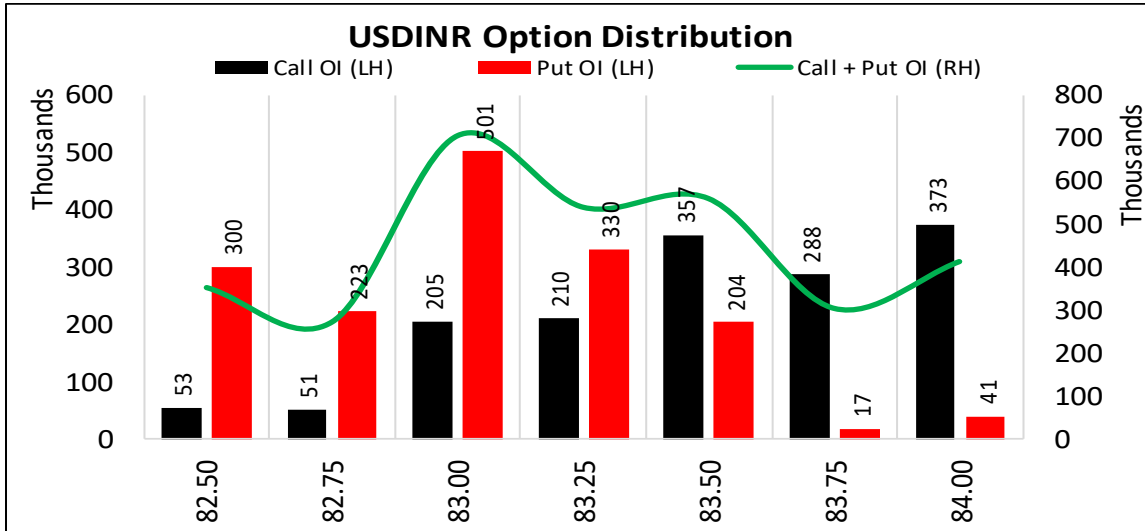
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Dec Fut	83.3750	83.3775	83.3100	83.3700	-0.02%	4,526,289	3.1%	6,000,413	-26.9%	1,425,192	-52.4%
EURINR Dec Fut	91.7250	91.7800	91.5025	91.5425	0.16%	230,225	5.6%	302,435	-2.9%	206,195	-24.0%
GBPINR Dec Fut	105.8650	105.9875	105.6150	105.6875	0.37%	253,757	2.8%	322,162	-10.3%	249,639	-27.8%
JPYINR Dec Fut	56.8550	56.9850	56.6950	56.7275	0.56%	67,507	-11.6%	77,897	-28.8%	113,399	-24.4%
EURUSD Dec Fut	1.1000	1.1010	1.0979	1.0981	0.21%	4,908	1.2%	17,195	-3.7%	157	-96.5%
GBPUSD Dec Fut	1.2706	1.2715	1.2673	1.2676	0.35%	4,690	0.0%	14,803	-9.6%	66	-98.0%
USDJPY Dec Fut	147.00	147.00	146.25	147.20	-0.30%	275	4.2%	477	-34.8%	50	-90.4%

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	83.37	83.35	83.22	83.29	83.33	83.40	83.42	83.49	83.40	83.37	48.78
EURINR Dec Fut	91.54	91.61	91.05	91.33	91.44	91.71	91.89	92.16	91.23	90.05	71.35
GBPINR Dec Fut	105.69	105.76	105.02	105.39	105.54	105.91	106.14	106.51	104.96	103.25	73.37
JPYINR Dec Fut	56.73	56.80	56.22	56.51	56.62	56.91	57.09	57.38	56.37	56.05	57.16
EURUSD Dec Fut	1.0981	1.0990	1.0928	1.0959	1.0970	1.1001	1.1021	1.1052	1.0838	1.0722	67.62
GBPUSD Dec Fut	1.2676	1.2688	1.2604	1.2646	1.2661	1.2703	1.2730	1.2772	1.2581	1.2327	68.35
USDJPY Dec Fut	147.20	146.82	145.32	146.07	146.63	147.38	147.57	148.32	148.45	149.70	40.30

USDINR Oct Month Option Charts



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