

HDFC securities Retail Research

Currency Daily

2 August 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.724	83.728	-0.004	0.00%
DXY Index	104.41	104.42	-0.02	-0.01%
EURUSD	1.0790	1.079	0.000	-0.01%
GBPUSD	1.2719	1.274	-0.002	-0.16%
USDJPY	149.70	149.36	0.340	0.23%
USDCNH	7.2502	7.251	-0.001	-0.02%
US 10 Yr. Yield	3.957	3.976	-0.019	-0.48%
USDINR 1M FWD	83.83	83.81	0.02	0.02%
India 10 Yr. Yield	6.916	6.926	-0.010	-0.14%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	25011	24951	60	0.24%
Sensex	81868	81741	126	0.15%
Hang Seng	17025	17305	-280	-1.62%
Nikkie	36365	38126	-1762	-4.62%
Shanghai	2932	2939	-6	-0.22%
S&P Index	5447	5522	-76	-1.37%
Dow Jones	40348	40843	-495	-1.21%
Nasdaq	18890	19362	-472	-2.44%
FTSE	8283	8368	-85	-1.01%
CAC	7370	7531	-161	-2.14%
DAX	18083	18509	-426	-2.30%

Market Roundup

- ▶ The Indian rupee could open steady around 83.73 tracking regional currencies. However, the foreign fund selling and risk-averse sentiment could weigh the local rupee. It has been hovering near record low. On Thursday, spot USDINR closed at 83.72 almost unchanged from the previous close. Technically, the pair has support at 83.60 and resistance at 83.85.
- ▶ *Next week, among key releases, the Reserve Bank of India (RBI) to maintain a hawkish pause. For mainland China, higher CPI inflation and export growth are expected.*
- ▶ **Forex:**
 - The dollar and Swiss franc rose Thursday, fueled by haven-related buying after a slew of weak US data, and tensions in the Middle East lingered. US 10-year Treasury yields fell five basis points to 3.98% amid tumbling share prices.
 - The U.K. central bank cut interest rates for the first time in four years. The 25 bp decline brought its benchmark rate to 5% and set the stage for more cuts, though not quickly, as the decision to cut passed with a 5-4 majority. The pound fell after the Bank of England cut interest rates.
- ▶ **Equities:**
 - The risk-off sentiment is sweeping across Asia early in the session after U.S. stocks slid overnight on weak economic data from the U.S. Investors are also waiting for Chinese policymakers to announce more stimulus. Japanese stocks plunged for a second day on expectations for further monetary tightening in the country.
- ▶ **Commodities:**
 - Oil rose after a Thursday decline against the backdrop of concerns over supply concern amid Middle East tensions.
 - Elsewhere, Gold is poised for a run at the \$2,483.73 record peak touched last month, as potential Fed interest rate cuts and signs of ETF buyers add to its allure along with geopolitical concerns.

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