

# HDFC securities Retail Research

## Currency Daily

14 September 2023



### Currency Movements

Name	Current Price	Previous Close*	Change	% Change
USDINR	82.985	82.921	0.064	0.08%
DXY Index	104.70	104.74	-0.038	-0.04%
EURUSD	1.0737	1.0737	0.000	0.00%
GBPUSD	1.2489	1.2476	0.001	0.10%
USDJPY	147.13	147.36	-0.230	-0.16%
USDCNH	7.2824	7.2799	0.003	0.03%
US 10 Yr. Yield	4.229	4.302	-0.073	-1.71%
USDINR 1M FWD	83.070	83.080	-0.010	-0.01%
India 10 Yr. Yield	7.196	7.229	-0.033	-0.46%

### Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	20070	19993	77	0.38%
Sensex	67467	67221	246	0.37%
Hang Seng	17931	18009	-78	-0.43%
Nikkie	33014	32707	307	0.94%
Shanghai	3121	3123	-2	-0.07%
S&P Index	4467	4462	6	0.12%
Dow Jones	34576	34646	-70	-0.20%
Nasdaq	15349	15290	59	0.38%
FTSE	7526	7528	-2	-0.02%
CAC	7223	7253	-30	-0.42%
DAX	15654	15716	-62	-0.39%

\* Prev. Close 5pm IST

### Market Roundup

- ▶ The Indian rupee is expected to open largely unchanged following steady trade in the dollar index and stronger Asian equities. Implied opening from forward suggests the spot USDINR may start trading around 82.985 the same level as its previous close of 82.9850.
- ▶ On Wednesday, spot USDINR was up six paise to 82.9850 as crude oil rallied while Asian currencies traded mixed. Technically, the trend supports the dollar bulls, while near-term consolidation can't be ruled out. From the level front, spot USDINR has support at 82.70 and resistance at 83.15.
- ▶ The impact of higher global oil prices will be more apparent in WPI inflation than in retail inflation. Traders will watch today's WPI numbers for retail inflation directions. Wholesale Prices YoY is est. -0.60%, prior -1.36%.
- ▶ The dollar edged lower after mixed inflation data showed core prices rose more than expected while headline figures were in line with estimates
- ▶ Asian stocks rose on cautious optimism that the Federal Reserve may pause rate hikes following the US inflation report, which was in line with estimates. The core consumer price index, which excludes food and energy costs, increased 4.3% from a year ago, in line with estimates and marking the smallest advance in nearly two years. In commodities, oil trade is near the highest since November after the International Energy Agency added to warnings of a supply shortfall.
- ▶ Swaps tied to the next two Federal Open Market Committee meetings continued to price in little chance of a hike next week and about 50% odds of one in November.
- ▶ Markets will look toward the ECB policy meeting and upgraded inflation forecasts on Thursday as evidence shows Europe is facing persistent cost pressures. Money markets are pricing in a two-thirds chance the ECB raises interest rates by a quarter of a percentage point, a rapid shift from earlier this month when traders were firmly in the camp rates would be held steady.

USDINR Sept Futures Daily Chart



Technical Observations:

- ▶ *Spot USDINR is placed at 10 DEMA. The formation of a small body candlestick pattern suggests consolidation.*
- ▶ *The formation of higher tops and bottoms supporting the dollar bulls.*
- ▶ *The Relative strength index of 14 days remained positive and is currently placed at 55.*
- ▶ *Trend indicator MACD is flattening with the MACD average with a negative histogram exhibiting a sideways trend.*
- ▶ *Minor long unwinding has been seen as the price gained by 0.02% and open interest by 0.01%.*
- ▶ *The trend remains bullish for the pair as long as it holds the support of 82.80.*
- ▶ ***USDINR Sep fut may consolidate between 83.10 to 82.90 with positive bias in today's trade.***

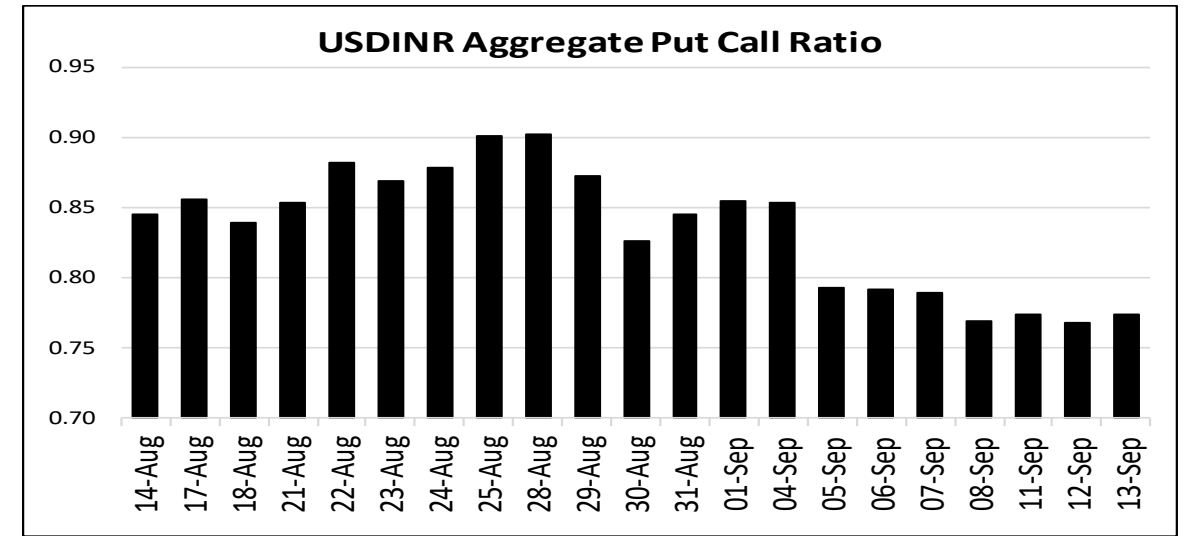
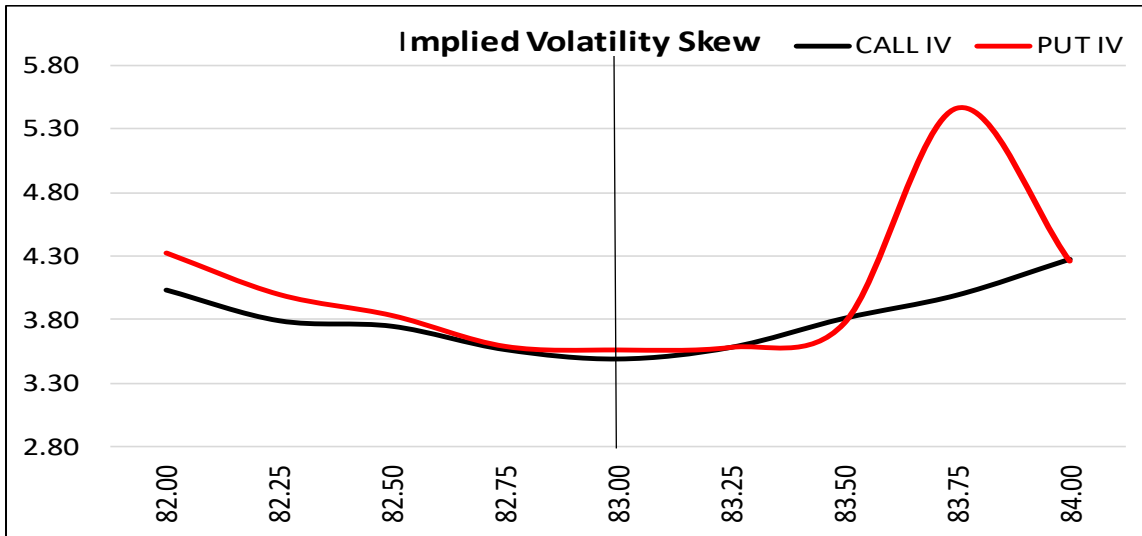
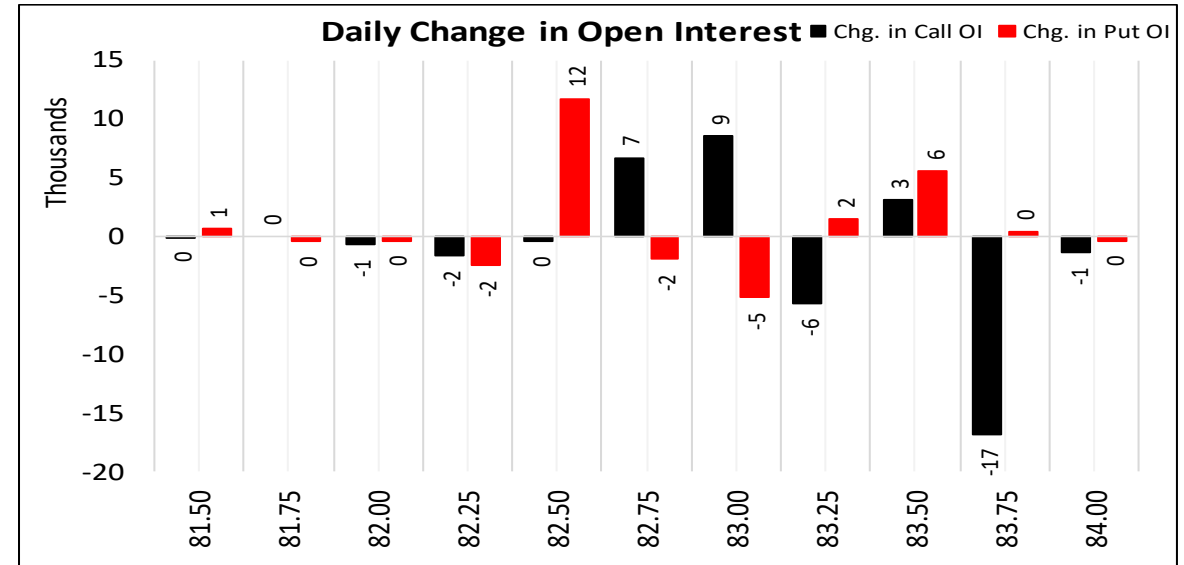
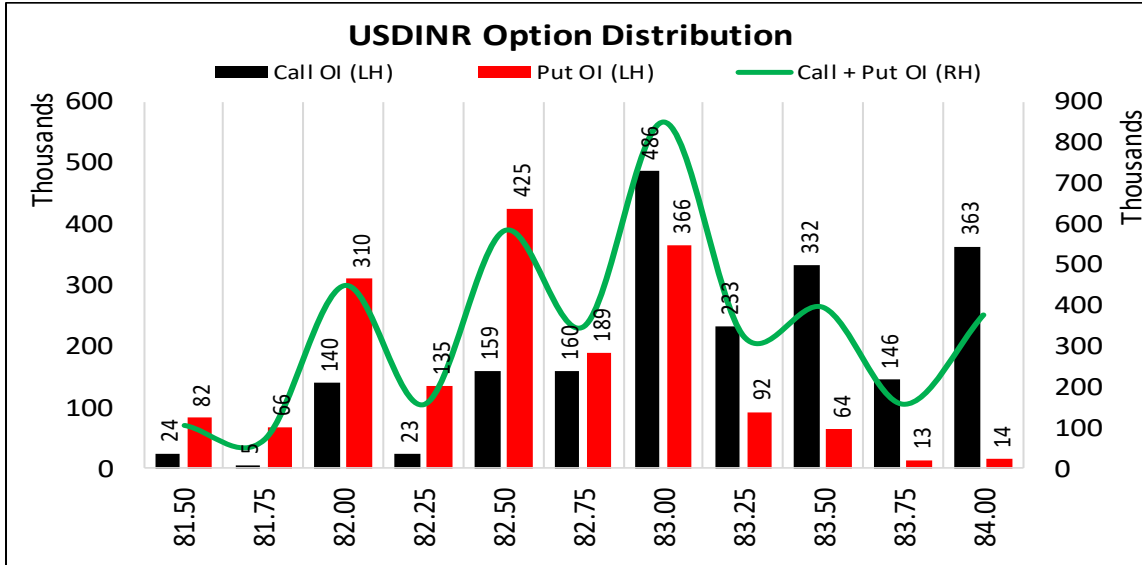
Currency Derivative Price Actions

Currency Pair	Open	High	Low	Close	% Change	Open Interest	% Chg. in OI	Agg. OI	% Chg. In Agg. OI	Volume	% Chg. Volume
USDINR Sep Fut	82.9700	83.0350	82.9375	83.0200	0.02%	3,818,084	0.0%	5,894,621	-0.3%	1,232,580	-30.0%
EURINR Sep Fut	89.1750	89.2900	89.1350	89.1875	0.20%	117,787	-7.2%	179,096	-4.6%	101,301	16.3%
GBPINR Sep Fut	103.5500	103.6800	103.3200	103.5700	0.07%	194,427	-6.5%	272,532	-5.7%	220,737	6.0%
JPYINR Sep Fut	56.6450	56.6450	56.4450	56.5000	-0.33%	142,802	0.2%	165,457	1.1%	42,244	19.8%
EURUSD Sep Fut	1.0757	1.0766	1.0736	1.0749	0.21%	1,176	2.4%	1,179	2.2%	606	80.9%
GBPUSD Sep Fut	1.2486	1.2493	1.2439	1.2475	0.00%	590	-1.8%	590	-1.8%	42	-71.2%
USDJPY Sep Fut	146.75	146.94	146.71	146.90	0.35%	1,373	10.9%	1,480	10.0%	162	-31.6%

Technical Levels

Currency Pair	Close	Pivot	Supt.3	Supt.2	Supt.1	Resi.1	Resi.2	Resi.3	5 DMA	20 DMA	RSI
USDINR Sep Fut	83.02	83.00	82.80	82.90	82.96	83.06	83.10	83.19	83.09	82.97	54.41
EURINR Sep Fut	89.19	89.20	88.89	89.05	89.12	89.27	89.36	89.51	89.13	89.76	38.72
GBPINR Sep Fut	103.57	103.52	102.80	103.16	103.37	103.73	103.88	104.24	103.70	104.63	36.66
JPYINR Sep Fut	56.50	56.53	56.13	56.33	56.42	56.62	56.73	56.93	56.65	56.98	32.65
EURUSD Sep Fut	1.0749	1.0750	1.0690	1.0720	1.0735	1.0765	1.0780	1.0810	1.0730	1.0819	37.94
GBPUSD Sep Fut	1.2475	1.2469	1.2361	1.2415	1.2445	1.2499	1.2523	1.2577	1.2481	1.2612	35.41
USDJPY Sep Fut	146.90	146.85	146.39	146.62	146.76	146.99	147.08	147.31	146.66	145.68	67.60

## USDINR Sept Month Option Charts



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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](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600

For grievance redressal contact Customer Care Team Email: [customer-care@hdfcsec.com](mailto:customer-care@hdfcsec.com) Phone: (022) 3901 9400

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