

HDFC securities Retail Research

Currency Daily

25 July 2024



Currency Movements

Name	Current Price	Previous Close	Change	% Change
USDINR	83.716	83.694	0.022	0.03%
DXY Index	104.27	104.39	-0.12	-0.11%
EURUSD	1.0841	1.084	0.000	0.01%
GBPUSD	1.2895	1.291	-0.001	-0.09%
USDJPY	152.80	153.89	-1.090	-0.71%
USDCNH	7.2638	7.266	-0.003	-0.03%
US 10 Yr. Yield	4.262	4.284	-0.022	-0.50%
USDINR 1M FWD	83.83	83.82	0.01	0.01%
India 10 Yr. Yield	6.963	6.969	-0.006	-0.09%

Global Equity Markets

Name	Current Price	Previous Close	Change	% Change
Nifty	24414	24479	-66	-0.27%
Sensex	80149	80429	-280	-0.35%
Hang Seng	17261	17311	-50	-0.29%
Nikkie	38039	39155	-1116	-2.85%
Shanghai	2892	2902	-10	-0.35%
S&P Index	5427	5556	-129	-2.31%
Dow Jones	39854	40358	-504	-1.25%
Nasdaq	19032	19754	-722	-3.65%
FTSE	8154	8167	-14	-0.17%
CAC	7514	7599	-85	-1.12%
DAX	18387	18558	-170	-0.92%

Market Roundup

- ▶ The Indian rupee is expected to open slightly lower following foreign fund selling and risk-averse sentiments. The forward markets suggest the spot USDINR opening at around 83.73.
- ▶ On Wednesday, spot USDINR closed at a record high of 83.72 after touching an intraday high of 83.73 amid dollar demand from the importers while the central banks remained suppliers.
- ▶ Technically, spot USDINR has support at 83.60 and resistance at 83.80 with positive bias.
- ▶ *Later Thursday in the US, investors will see further evidence of the health of the economy with US GDP and initial jobless claims data being released.*
- ▶ **Forex:**
 - An index of dollar strength was flat today after a similarly flat Wednesday.
 - The US yield curve has been steepening amid the Federal Reserve to start cutting interest rates as soon as next week. Investors see the Fed potentially reducing rates faster and deeper than previously anticipated.
 - The yen climbed sharply early Thursday to compound a rally of more than 1% against the dollar on Wednesday. The Japanese currency has been trading at the strongest levels relative to the greenback since May in an advance that reflected an unwind in carry trades.
 - Former New York Fed President William Dudley called for lower borrowing costs, preferably at next week's gathering.
- ▶ **Equities:**
 - Equities in Asia declined as investors began pulling back on the artificial intelligence frenzy that has powered the bull market this year. The S&P 500 slumped 2.3%, its worst showing since December 2022. The tech-heavy Nasdaq 100 fell 3.7% weighed down by its largest constituents. For a fourth straight session — and the 10th time in 11 days — the performance of smaller firms outperformed larger ones.
- ▶ **Commodities:**
 - Heavy selling in equity markets triggered a risk-off tone across the commodity sector. In commodities, oil slipped Thursday after snapping a four-day decline in its previous session. Gold extended losses from Wednesday.

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