

September 3, 2020

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	Sep	Sell	73.46	73.16	73.60	1 day

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INR Futures

Currency Pair	Close	Pvs. Close	% Change
US\$INR (Sep)	73.35	73.16	0.26
EURINR (Sep)	87.03	87.70	-0.76
GBPINR (Sep)	97.95	98.54	-0.59
JPY INR (Sep)	69.09	69.13	-0.06

Global Bonds

Bonds	Close	Change	% Change
India 10 Year	5.92	-0.02	0.00
India 2 Year	4.37	0.01	0.00
US 10 Year	0.67	-0.01	-0.80
US 2 Year	0.14	0.00	1.35
Germany 10 Year	-0.47	-0.06	-13.58

FII & FPI Activities

Segment	Purchase	Sell	Net ₹ Crores
Equity	7525	6951	574
Debt	838	983	-145
Net			429

- US\$INR futures bounced on Wednesday after four consecutive sessions of selling as the dollar index rebounded from its recent two years low of 91.72. However, slightly positive domestic equities capped gains in the pair
- The dollar index extended overnight gains on Wednesday and the euro fell, retreating from the key \$1.20 level reached in the previous session while the Australian dollar lagged behind after the country confirmed that it is in a recession

- Post a flat opening, in the early hours, private banks and IT witnessed selling pressure while the Nifty made a low of 11420. However, a recovery in select auto along with outperformance in midcap stocks helped the market to recover intraday losses. Finally, it ended at 11535, with a gain of 0.56%
- In early hours, the Bank Nifty managed to hold the Put base of 23500 and reversed during the day. PSU and private banks witnessed a recovery from lower levels, which helped the Bank Nifty to end near 24000

- Foreign institutional investors (FII) were net buyers to the tune of ₹ 429 crore on September 1, 2020. They bought worth ₹ 574 crore in the equity market and sold worth ₹ 145 crore in the debt market. In September, FIIs have bought equities worth ₹ 574 crore so far while in the debt market they have sold worth ₹ 145 crore so far

US\$INR futures on NSE

Contracts	LTP	(%) change	OI	Vol	(%) change	
					OI	Vol
Sep	73.35	0.26	1461494	2300483	-1.00	-14.32
Oct	73.57	0.26	274819	205404	0.08	-2.32
Sep-Oct	-0.22	-	-	2095079	-	-

- The dollar strengthened overnight, helped by positive US manufacturing data. However, investors will now be looking to see if the ECB will follow the US Federal Reserve in shifting its policy towards inflation, as it reviews its monetary policy next week
- The dollar-rupee September contract on the NSE was at 73.35 in the last session. The open interest in the September series declined 1.00% while it increased 0.08% in the next series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Sep)	72.97	73.16	73.28	73.47	73.59
US\$INR (Oct)	73.18	73.37	73.49	73.69	73.81
EURINR (Sep)	86.65	86.84	87.10	87.29	87.55
EURINR (Oct)	86.86	87.08	87.40	87.63	87.95
GBPINR (Sep)	97.48	97.72	97.92	98.15	98.35
GBPINR (Oct)	97.74	97.99	98.21	98.46	98.68
JPY INR (Sep)	68.84	68.96	69.08	69.20	69.32
JPY INR (Oct)	69.06	69.19	69.33	69.46	69.59

US\$INR Strategy

US\$INR Sep futures (NSE)

Sell US\$INR in the range of 73.45-73.47 Market Lot: US\$1000
 Target: 73.16 Stop Loss: 73.60

Note: The given recommendation in this report is intraday and should not be linked with positional view & recommendations given in Monthly currency Derivatives and Positional Currency report which may have different view.



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