

September 29, 2020

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	Oct	Sell	73.90	73.60	74.10	1 day

## Research Analysts

**Raj Deepak Singh**

rajdeepak.singh@icicisecurities.com

**Nandish Patel**

nandish.patel@icicisecurities.com

**Mohit Agarwal**

mohit.agarwal@icicisecurities.com

## INR Futures

Currency Pair	Close	Pvs. Close	% Change
US\$INR (Oct)	73.88	73.93	-0.07
EURINR (Oct)	86.16	86.09	0.08
GBPINR (Oct)	95.30	93.98	1.40
JPYINR (Oct)	70.15	70.14	0.02

## Global Bonds

Bonds	Close	Change	% Change
India 10 Year	6.06	0.02	0.00
India 2 Year	4.44	0.00	0.00
US 10 Year	0.66	0.00	0.30
US 2 Year	0.13	0.00	1.37
Germany 10 Year	-0.53	0.00	-0.29

## FII & FPI Activities

Segment	Purchase	Sell	Net ₹ Crores
Equity	4556	7781	-3225
Debt	883	360	523
Net			-2702

- US\$INR futures fell slightly on Monday on the back of a domestic equities rally along with a correction in the US dollar index after a strong weekly gain
- The dollar index pulled back from a two-month high against a basket of currencies on Monday as US equities rallied after four straight days of declines ahead of a slew of economic data and political developments in the US

- The short covering rally continued for a second consecutive session in a row. Sectorally, action was seen in BFSI, cement and auto stocks whereas profit taking was seen in select technology and FMCG stocks. On the options front, additions were seen in 11300 Call and 11100 Put strikes. That should be the trading range for the coming days
- On Tuesday, the Bank Nifty saw sharp upsides, moving up almost 750 points during the session and ending up 683 points. A recovery was seen in private banks like Axis Bank, IndusInd Bank and Federal Bank.

- Foreign institutional investors (FII) were net sellers to the tune of ₹ 2702 crore on September 25, 2020. They sold worth ₹ 3225 crore in the equity market and also sold worth ₹ 523 crore in the debt market. In September, FIIs have sold equities worth ₹ 4883 crore so far while in the debt market they have bought worth ₹ 3992 crore so far

## US\$INR futures on NSE

Contracts	LTP	(% ) change	OI	Vol	(% ) change	
					OI	Vol
Oct	73.88	-0.07	1496524	2461021	38.46	169.92
Nov	74.10	-0.07	182888	126998	19.15	136.58
Oct-Nov	-0.22	-	-	2334023	-	-

- US Commodity Futures Trading Commission's broad measure of dollar positioning showed speculators' net short position rose to \$33.989 billion last week, up from \$31.524 billion the week before and near its highest in almost a decade
- The dollar-rupee October contract on the NSE was at 73.88 in the last session. The open interest in the October series increased 38.46%, while it also increased 19.15% in the next series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	73.57	73.72	73.90	74.06	74.24
US\$INR (Nov)	73.79	73.95	74.12	74.28	74.45
EURINR (Oct)	85.66	85.91	86.08	86.33	86.50
EURINR (Nov)	85.95	86.20	86.37	86.61	86.78
GBPINR (Oct)	93.66	94.48	94.96	95.78	96.26
GBPINR (Nov)	94.05	94.80	95.25	96.01	96.45
JPYINR (Oct)	69.89	70.02	70.17	70.30	70.44
JPYINR (Nov)	70.14	70.27	70.40	70.53	70.66

## US\$INR Strategy

### US\$INR Oct futures (NSE)

Sell US\$INR in the range of 73.89-73.91

Market Lot: US\$1000

Targets: 73.70, 73.60

Stop Loss: 74.10

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.



---

Pankaj Pandey

Head – Research

[pankaj.pandey@icicisecurities.com](mailto:pankaj.pandey@icicisecurities.com)

ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, Akruiti Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)

---

I/We, Raj Deepak Singh BE, MBA (Finance), Nandish Patel BCom, Mohit Agarwal BSc, MBA (Finance) authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities Limited is a SEBI registered Research Analyst with SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities Limited. The author may be holding a position in currency derivatives as on date of release of this report. ICICI Securities Limited may be holding a proprietary position in currency derivatives as on the date of release of this report." This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. ICICI Securities Ltd and affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Actual results may differ materially from those set forth in projections. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities Ltd and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).