

September 30, 2020

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	Oct	Sell	74.00	73.80	74.12	1 day

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INR Futures

Currency Pair	Close	Pvs. Close	% Change
US\$INR (Oct)	73.99	73.89	0.14
EURINR (Oct)	86.63	86.20	0.51
GBPINR (Oct)	95.15	95.36	-0.22
JPYINR (Oct)	70.07	70.16	-0.12

Global Bonds

Bonds	Close	Change	% Change
India 10 Year	6.04	-0.02	0.00
India 2 Year	4.43	-0.01	0.00
US 10 Year	0.64	-0.02	-3.02
US 2 Year	0.13	0.00	-1.60
Germany 10 Year	-0.55	0.00	-0.74

FII & FPI Activities

Segment	Purchase	Sell	Net ₹ Crores
Equity	5638	5114	524
Debt	590	289	301
Net			825

- US\$INR futures rose slightly on Tuesday as domestic equities retreated from the day's high. However, a sell-off in the US dollar index capped gains in the pair
- The dollar index fell further from two-month highs on Tuesday, weighed down by currency flows in the options market as well as for month end, with investors also capitalising on recent gains in the greenback ahead of the first debate between two US presidential candidates

- Choppiness in the index remained high as it continued to face selling pressure near 11300. BFSI, along with select pharma and the FMCG pack witnessed profit booking whereas short covering was seen in metal stocks. The weekly Nifty options structure indicates that it is likely to consolidate below 11300 amid high volatility
- For a major part of the day, the index consolidated with 21500 acting as a midpoint. Selling in IndusInd Bank, Axis Bank and Kotak Mahindra Bank was compensated by buying in HDFC Bank, helping the index to end marginally negative

- Foreign institutional investors (FII) were net buyers to the tune of ₹ 825 crore on September 28, 2020. They bought worth ₹ 524 crore in the equity market and also bought worth ₹ 301 crore in the debt market. In September, FIIs have sold equities worth ₹ 4359 crore so far, while in the debt market they have bought worth ₹ 4293 crore so far

US\$INR futures on NSE

Contracts	LTP	(%) change	OI	Vol	(% change)	
					OI	Vol
Oct	73.99	0.14	1484517	1499108	-0.63	-39.09
Nov	74.21	0.13	196427	85753	7.79	-32.48
Oct-Nov	-0.22	-	-	1413355	-	-

- The dollar is expected to resume its downtrend as US House of Representatives Speaker Nancy Pelosi said that Democratic lawmakers were unveiling a new \$2.2 trillion fiscal stimulus bill
- The dollar-rupee October contract on the NSE was at 73.99 in the last session. The open interest in the October series declined 0.63% while it increased 7.79% in the next series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	73.79	73.89	74.00	74.11	74.22
US\$INR (Nov)	74.02	74.12	74.23	74.32	74.43
EURINR (Oct)	86.12	86.37	86.53	86.79	86.94
EURINR (Nov)	86.42	86.66	86.81	87.06	87.21
GBPINR (Oct)	94.82	94.99	95.19	95.35	95.55
GBPINR (Nov)	95.03	95.21	95.43	95.61	95.82
JPYINR (Oct)	69.95	70.01	70.10	70.16	70.25
JPYINR (Nov)	70.18	70.24	70.32	70.38	70.46

US\$INR Strategy

US\$INR Oct futures (NSE)

Sell US\$INR in the range of 73.99-74.01

Market Lot: US\$1000

Targets: 73.88, 73.80

Stop Loss: 74.12

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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