

October 1, 2020

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	Oct	Sell	73.95	73.80	74.05	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)	73.93	73.99	-0.08
EURINR (Oct)	86.58	86.63	-0.06
GBPINR (Oct)	94.89	95.15	-0.27
JPYINR (Oct)	69.95	70.07	-0.17

- US\$INR futures fell slightly on Wednesday as domestic equities recovered slightly. However, a rebound in the US dollar index supported the pair
- The dollar index ticked up on Wednesday, recovering some losses after a two-day fall, as traders weighed the implications of a bad-tempered first debate between President Donald Trump and challenger Joe Biden

Global Bonds

Bonds	Close	Change	% Change
India 10 Year	6.02	-0.02	-0.36
India 2 Year	4.43	0.00	-0.07
US 10 Year	0.66	0.02	2.99
US 2 Year	0.13	0.00	0.00
Germany 10 Year	-0.53	0.01	1.38

- Stock specific activity continued where HDFC Ltd followed by ITC and other heavyweights provided support to the Nifty whereas selling in metals and Reliance Industries kept the Nifty move in check. From a weekly expiry perspective, 11300 Call has the highest Call base above which a swift move could be seen
- For a couple of sessions, the Bank Nifty has been consolidating with additions in 21500 Call where writers are active. Apart from HDFC Bank, other leaders saw profit booking keeping the Bank Nifty move in check

FII & FPI Activities

Segment	Purchase	Sell	Net ₹ Crores
Equity	4657	5723	-1066
Debt	835	944	-109
Net			-1175

- Foreign institutional investors (FII) were net buyers to the tune of ₹ 1175 crore on September 28, 2020. They bought worth ₹ 1066 crore in the equity market and also bought worth ₹ 109 crore in the debt market. In September, FIIs have sold equities worth ₹ 5425 crore so far while in the debt market they have bought worth ₹ 4184 crore so far

US\$INR futures on NSE

Contracts	LTP	(%) change	OI	Vol	(% change)	
					OI	Vol
Oct	73.93	-0.08	1580155	1841080	6.44	22.81
Nov	74.15	-0.08	199970	99855	1.80	16.44
Oct-Nov	-0.22	-	-	1741225	-	-

- The dollar is expected to remain under pressure as uncertainty over the outcome of the US presidential election remains high after a chaotic encounter in which the candidates battled over the President's leadership on the Coronavirus pandemic, the economy and taxes
- The dollar-rupee October contract on the NSE was at 73.93 in the last session. The open interest in the October series increased 6.44% while it also increased 1.8% in the next series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	73.76	73.85	73.95	74.03	74.13
US\$INR (Nov)	73.99	74.07	74.17	74.25	74.35
EURINR (Oct)	86.29	86.43	86.66	86.81	87.03
EURINR (Nov)	86.55	86.72	86.96	87.12	87.36
GBPINR (Oct)	94.49	94.69	94.88	95.08	95.28
GBPINR (Nov)	94.76	94.95	95.14	95.34	95.53
JPYINR (Oct)	69.73	69.84	70.02	70.13	70.31
JPYINR (Nov)	70.00	70.09	70.25	70.34	70.50

US\$INR Strategy

US\$INR Oct futures (NSE)

Sell US\$INR in the range of 73.94-73.96

Market Lot: US\$1000

Targets: 73.85, 73.80

Stop Loss: 74.05

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

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

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