

October 9, 2020

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	October futures	Buy	73.34	73.50	73.22	1 day

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INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	73.24	73.34	-0.10
EUR-INR	86.16	86.24	-0.08
GBP-INR	94.76	94.74	0.02
JPY-INR (Future)	69.30	69.35	-0.05

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.02	6.01	0.02
India 2 Year	4.35	4.35	-0.18
US 10 Year	0.78	0.78	0.26
US 2 Year	0.15	0.16	-5.16
Germany 10 Year	-0.53	-0.49	6.88

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6118	5098	1020
Debt	249	917	-668
Net			352

- Supported by positive domestic equities and marginal weakness in the Dollar index, the rupee appreciated marginally and closed at 73.24. Today due to the RBI's monetary policy, we may see some volatility

- US initial claims missed expectation and rose for a second week. The dollar index remained muted and moved towards 93.6 levels. However, it is expected to bounce from its support

- The Nifty continued its upward momentum. After a gap up opening, it remained positive throughout the session amid high volatility. Technology, pharma and cement stocks were major gainers in the last session

- The Bank Nifty reversed its early gains in the last hour of the trade and ended with a gain of 1%. Buying among private sector heavyweights like HDFC Bank helped the banking index to close in the green

- Foreign institutional investors (FII) were net buyer to the tune of ₹ 352 crore on October 7, 2020. They bought worth ₹ 1020 crore in the equity market and also sold worth ₹ 668 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
Oct	73.37	-0.15	1674100	1563066	0.15	-25.09
Nov	73.58	-0.15	251365	92716	4.82	-25.21
Oct-Nov	-0.21	-	-	1470350	-	

- Intraday volatility in dollar index is draining due to which no major triggers are seen in other market currencies. The rupee is trading in a range and waiting for trigger. We feel the rupee can move towards 73.55 levels again
- The dollar-rupee October contract on the NSE was at 73.37 in the last session. The open interest rose 0.2% in the last session

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Oct)	73.20	73.34	73.55	73.69	73.91
US\$INR (Nov)	73.43	73.56	73.76	73.89	74.10
EURINR (Oct)	86.17	86.31	86.43	86.57	86.68
EURINR (Nov)	86.46	86.60	86.71	86.85	86.97
GBPINR (Oct)	93.85	94.19	94.78	95.12	95.71
GBPINR (Nov)	94.30	94.55	94.98	95.22	95.65
JPYINR (Aug)	68.94	69.13	69.46	69.65	69.99
JPYINR (Nov)	69.21	69.38	69.69	69.86	70.17

US\$INR Strategy

US\$INR Oct futures contract (NSE)

Buy US\$ in the range of 73.32-73.36

Market Lot: US\$1000

Target: 73.45/ 73.55

Stop Loss: 73..22

Support: 73.00/73.10

Resistance: 73.60/73.80

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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