

November 6, 2020

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	November futures	Sell	74.27	74.00	74.40	1 day

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INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	74.29	74.74	-0.45
EUR-INR	87.29	87.07	0.22
GBP-INR	96.74	96.69	0.05
JPY-INR (Future)	71.20	71.46	-0.26

- As there was a reversal in the Dollar index from 94 levels, the rupee managed to climb almost 40 paise yesterday. We feel the current leg of appreciation will continue
- The dollar index loses further ground and moved to its two-months low as Joe Biden kept his lead vs. Donald Trump as vote counting continued. FOMC meet would provide some further volatility but support for the index is placed near 92.30 levels

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.86	5.89	-0.48
India 2 Year	4.13	4.17	-1.10
US 10 Year	0.78	0.74	4.31
US 2 Year	0.15	0.15	2.76
Germany 10 Year	-0.64	-0.64	-0.31

- The momentum of the Nifty continues to remain positive on the back of positive global cues. The Nifty ended above 12000 with a very positive advance decline ratio
- The Bank Nifty opened higher and remained positive throughout the day. Participation was seen in most leaders from private banks and also from PSU banks. By looking at F&O data in the banking space, we feel the upside in the index is likely to continue while the index may test its Call base of 27000

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6195	6027	167
Debt	513	1590	-1077
Net			-909

- Foreign institutional investors (FII) were net sellers to the tune of ₹ 909 crore on November 4, 2020. They bought worth ₹ 167 crore in the equity market and sold worth ₹ 1077 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
Nov	74.23	-0.75	1602946	2868151	-4.06	-0.11
Dec	74.47	-0.74	669484	273815	-2.61	-0.46
Nov-Dec	0.24	-	-	2594336	-	-0.35

- A sharp reversal pushed the rupee towards 74.25 levels as Call writers continued to dominate at higher levels. We feel US\$INR pair should hold its support of 74 and is likely to consolidate
- The dollar-rupee November contract on the NSE was at 74.23 in the last session. The open interest fell 4.1% for the November series contract

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	73.99	74.11	74.33	74.45	74.66
US\$INR (Dec)	74.24	74.35	74.56	74.68	74.89
EURINR (Nov)	87.09	87.37	87.54	87.82	87.99
EURINR (Dec)	87.38	87.66	87.83	88.10	88.27
GBPINR (Nov)	96.01	96.49	96.78	97.25	97.55
GBPINR (Dec)	96.34	96.79	97.07	97.53	97.81
JPYINR (Aug)	70.92	71.06	71.25	71.39	71.58
JPYINR (Dec)	71.18	71.32	71.49	71.63	71.79

US\$INR Strategy

US\$INR NOV futures contract (NSE)

Sell US\$INR in the range of 74.25-74.29	Market Lot: US\$1000
Target: 74.10/ 74.00	Stop Loss: 74.40
Support: 74.05/73.90	Resistance: 74.55/74.75

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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