

November 20, 2020

## Daily Currency outlook

### Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	November futures	Sell	74.37	74.10	74.51	1 day

### Research Analysts

**Raj Deepak Singh**

rajdeepak.singh@icicisecurities.com

**Nandish Patel**

nandish.patel@icicisecurities.com

**Mohit Agarwal**

mohit.agarwal@icicisecurities.com

## Currency

Currency	Close	Pvs. Close	% Change
US\$-INR	74.26	74.18	0.08
EUR-INR	87.71	88.38	-0.67
GBP-INR	97.96	98.73	-0.77
JPY-INR (Future)	71.20	71.45	-0.25

- The rupee ended 8 paise lower due to the sharp sell-off in domestic equities and rebound in the US Dollar index
- After remaining under pressure throughout the week, the Dollar index managed to regain some lost ground and moved higher. Pandemic and vaccine news has remained at the centre so far. Investors would closely watch developments on this front

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.88	5.88	-0.02
India 2 Year	4.02	4.07	-1.38
US 10 Year	0.83	0.85	-2.94
US 2 Year	0.17	0.17	-3.51
Germany 10 Year	-0.57	-0.57	1.06

- The Nifty snapped its four day winning streak as selling emerged from its highest Call base. It ended with a loss of 1.28%. On the options front, additions were seen in 12900 and 13000 Call strikes
- Selling intensified in the banking space, which dragged the index lower towards its major Put base of 28500. Apart from Kotak Mahindra Bank, all major banks were big losers

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	12426	7023	5404
Debt	291	396	-105
Net			5299

- Foreign institutional investors (FII) were net buyers to the tune of ₹ 5299 crore on November 17, 2020. They bought worth ₹ 5404 crore in the equity market whereas they sold worth ₹ 105 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
Nov	74.29	-0.10	1439754	1771015	-4.59	-0.25
Dec	74.51	-0.30	980554	364754	13.86	0.49
Nov-Dec	0.23	-	-	1406261	-	0.74

- Some traction was seen in the US\$INR as a bounce was seen in the Dollar index. However, we continue to feel that no major moves are expected in the pair and US\$INR would consolidate in the range of 74-74.70
- The dollar-rupee November contract on the NSE was at 74.29 in the last session. The open interest fell 4.9% for the November series contract

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	74.17	74.23	74.30	74.36	74.44
US\$INR (Dec)	74.40	74.46	74.53	74.58	74.65
EURINR (Nov)	87.65	87.75	87.91	88.00	88.16
EURINR (Dec)	87.96	88.05	88.20	88.29	88.44
GBPINR (Nov)	97.33	97.82	98.12	98.62	98.92
GBPINR (Dec)	98.20	98.38	98.55	98.73	98.90
JPYINR (Aug)	71.06	71.19	71.40	71.53	71.75
JPYINR (Dec)	71.30	71.41	71.61	71.73	71.93

## US\$INR Strategy

### US\$INR NOV futures contract (NSE)

Sell US\$INR in the range of 74.35-74.40	Market Lot: US\$1000
Target: 74.20/ 74.10	Stop Loss: 74.51
Support: 74.20/74.00	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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Pankaj Pandey

Head – Research

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

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