

November 27, 2020

Daily Currency outlook

Recommendation in the report

| Currency Pair | Contract | Action | Price | Target | Stoploss | Duration |
|---------------|------------------|--------|-------|--------|----------|----------|
| US\$INR | December futures | Sell | 74.12 | 73.90 | 74.25 | 1 day |

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Currency

| Currency | Close | Pvs. Close | % Change |
|------------------|-------|------------|----------|
| US\$-INR | 73.88 | 73.91 | -0.03 |
| EUR-INR | 87.83 | 87.95 | -0.12 |
| GBP-INR | 98.40 | 98.74 | -0.34 |
| JPY-INR (Future) | 70.65 | 70.80 | -0.15 |

- The rupee consolidated below 74 levels as no major direction was seen in the Dollar index. However, due to positive inflows, we feel its likely to face supply at higher levels
- The Dollar Index continued to trade below 92 levels ahead of the key events that are lined up later. Weakness in the Dollar index is likely to continue until it trades below 92.5 levels

Global Bonds

| Indices | Close | Pvs. Close | % Change |
|-----------------|-------|------------|----------|
| India 10 Year | 5.87 | 5.89 | -0.22 |
| India 2 Year | 3.90 | 3.89 | 0.28 |
| US 10 Year | 0.86 | 0.88 | -2.94 |
| US 2 Year | 0.16 | 0.16 | -3.70 |
| Germany 10 Year | -0.59 | -0.57 | 4.42 |

- On the expiry day of monthly derivatives, the Nifty ended 1% higher at 12987, recovering from losses earlier in the session. On the options front, aggressive writing was witnessed in 12800 Put strike that remains a crucial support on downsides for the ongoing momentum
- On Thursday, for a major part of the day, the index consolidated with 29200 acting as a midpoint amid high volatility. On the option front, OI addition was seen in 30000 Call strike that should act as hurdle on upsides. However, on the downside, 29000 Put strike holds significant OI that should act as support

FII & FPI Activities

| Segment | Purchase | Sell | Net Rs. crores |
|---------|----------|------|----------------|
| Equity | 5388 | 6726 | -1338 |
| Debt | 514 | 1732 | -1218 |
| Net | | | -2555 |

- Foreign institutional investors (FII) were net seller to the tune of ₹ 2555 crore on November 25, 2020. They sold worth ₹ 1338 crore in the equity market whereas they sold worth ₹ 1218 crore in the debt market

US\$INR futures on NSE

| Contracts | LTP | chnng (%) | OI | Vol | (% change) | |
|-----------|-------|-----------|---------|---------|------------|-------|
| | | | | | OI | Vol |
| Dec | 74.08 | -0.10 | 1988972 | 2185787 | 10.36 | 0.14 |
| Jan | 74.29 | -0.10 | 217530 | 83359 | 5.66 | -0.25 |
| Dec-Jan | 0.21 | - | - | 2102428 | - | -0.39 |

- US\$INR December future continued to trade in a range with Call writing activity being higher in OTM Calls indicating limited upsides
- The dollar-rupee December contract on the NSE was at 74.08 in the last session. The open interest rose 10.4% for the December series contract

Pivot levels

| Futures | S2 | S1 | Pivot | R1 | R2 |
|---------------|-------|-------|-------|-------|-------|
| US\$INR (Dec) | 73.99 | 74.07 | 74.16 | 74.25 | 74.34 |
| US\$INR (Jan) | 74.21 | 74.29 | 74.38 | 74.46 | 74.54 |
| EURINR (Dec) | 87.89 | 88.01 | 88.23 | 88.35 | 88.57 |
| EURINR (Jan) | 88.20 | 88.31 | 88.51 | 88.62 | 88.82 |
| GBPINR (Dec) | 98.23 | 98.46 | 98.85 | 99.08 | 99.47 |
| GBPINR (Jan) | 98.55 | 98.77 | 99.15 | 99.37 | 99.75 |
| JPYINR (Dec) | 70.83 | 70.90 | 70.99 | 71.06 | 71.15 |
| JPYINR (Jan) | 71.08 | 71.12 | 71.19 | 71.24 | 71.31 |

US\$INR Strategy

US\$INR DEC futures contract (NSE)

| | |
|--|-------------------------|
| Sell US\$INR in the range of 74.10-74.15 | Market Lot: US\$1000 |
| Target: 74.00/ 73.90 | Stop Loss: 74.25 |
| Support: 73.80/73.60 | Resistance: 74.25/74.45 |

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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