

January 19, 2021

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	January futures	Buy	73.20	73.45	73.05	1 day

## Research Analysts

**Raj Deepak Singh**  
rajdeepak.singh@icicisecurities.com

**Nandish Patel**  
nandish.patel@icicisecurities.com

## INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	73.28	73.07	0.21
EUR-INR	88.42	88.43	-0.01
GBP-INR	99.24	99.42	-0.18
JPY-INR (Future)	70.70	70.55	0.15

- Strength in dollar index and weakness in equities put some pressure in currency and USDINR pair reverted from 73 levels once again. The Rupee closed near 73.28 levels depreciating by almost 20 paise.
- The U.S. Dollar Index gained upside momentum and is trying to settle above the 50 EMA at 90.95. In case this attempt is successful, the U.S. Dollar Index might move further towards the next resistance level of 91.20.

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.96	5.99	-0.50
India 2 Year	4.23	4.18	1.08
US 10 Year	1.09	1.09	0.00
US 2 Year	0.14	0.14	0.00
Germany 10 Year	-0.54	-0.54	-0.74

- Markets tumble sharply lower and ended below 150 points amid weak global cues. Throughout the day, it remained negative as consistent selling was seen in banking, metal and auto stocks. If the Nifty is unable to hold 14200, which also commands significant OI, then more downsides can be seen in coming days.
- After consolidating for a major part of the day with stock specific activity, the index fell sharply and moved below its major Put base of 32000.

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	5247	6300	-1053
Debt	864	1266	-402
Net			-1455

- Foreign institutional investors (FII) turned negative and they sold to the tune of ₹ 1455 crore on January 15, 2020. They sold worth ₹ 1053 crore in the equity market and sold worth ₹ 402 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% ) change	
					OI	Vol
Jan	73.32	0.22	2655726	1377444	-2.07	-0.17
Feb	73.56	0.23	675151	318214	15.88	0.06
Jan-Feb	0.24	-	-	1059230	-	0.23

- U.S. President-elect Joe Biden has recently unveiled his \$1.9 trillion stimulus proposal. Interestingly, this announcement did not put any pressure on the U.S. dollar.
- The dollar-rupee January contract on the NSE was at ₹ 73.32 in the last session. The open interest increased almost 15% in the February series while marginal decline was seen in January series contracts.

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Jan)	73.12	73.23	73.32	73.43	73.52
US\$INR (Feb)	73.14	73.35	73.49	73.71	73.85
EURINR (Jan)	88.35	88.47	88.54	88.66	88.74
EURINR (Feb)	88.70	88.79	88.84	88.93	88.98
GBPINR (Jan)	99.10	99.26	99.42	99.57	99.73
GBPINR (Feb)	99.24	99.47	99.78	100.01	100.32
JPYINR (Jan)	70.50	70.60	70.68	70.78	70.85
JPYINR (Feb)	70.75	70.83	70.89	70.96	71.02

## US\$INR Strategy

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

Buy US\$INR in the range of 73.18-73.22

Market Lot: US\$1000

Target: 73.45/ 73.55

Stop Loss: 73.05

Support: 73.05/72.90

Resistance: 73.45/73.55

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](mailto:pankaj.pandey@icicisecurities.com)

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

---

## ANALYST CERTIFICATION

I/We, Raj Deepak Singh BE, MBA (Finance), Nandish Patel BCOM, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

### Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities Limited. The author may be holding a position in currency derivatives as on date of release of this report. ICICI Securities Limited may be holding a proprietary position in currency derivatives as on the date of release of this report." This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. ICICI Securities Ltd and affiliates accept no liabilities for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Actual results may differ materially from those set forth in projections. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities Ltd and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).