

February 4, 2021

## Daily Currency outlook

### Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	February futures	Buy	73.13	73.35	73.00	1 day

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## INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	72.96	72.96	0.00
EUR-INR	87.51	87.75	-0.24
GBP-INR	99.41	99.42	-0.01
JPY-INR (Future)	69.93	69.98	-0.05

- The trading range continued to reduce in the rupee as it ended almost flat yesterday whereas intraday move was only 9 paise. However, strong dollar would keep the rupee move in check
- As expectation rose that the US has advantage in growing over other majors, the dollar index rose and weakness was seen in Euro. EURUS\$ is hovering near 1.206 levels. A close below 1.20 would open the gates for lower targets

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.08	6.13	-0.70
India 2 Year	4.59	4.66	-1.57
US 10 Year	1.15	1.11	3.06
US 2 Year	0.12	0.12	1.71
Germany 10 Year	-0.46	-0.48	-4.41

- The ongoing rally in the index continued for a third day in a row where the Nifty made new life-time highs and continued to trade higher. Bulls remained in charge throughout the day with 40 advances in Nifty stock. Looking at options data, additions were seen in OTM and ATM Put strikes
- The Bank Nifty future tested almost 35000 in the last session and extended its gains beyond 4000 points for the ongoing week

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	13903	7094	6809
Debt	446	645	-199
Net			6610

- Foreign institutional investors (FII) turned positive as they bought to the tune of ₹ 6610 crore on February 1, 2021. They bought worth ₹ 6809 crore in the equity market and sold worth ₹ 199 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
Feb	73.13	-0.12	2875085	1311517	-3.57	-0.31
Mar	73.44	-0.09	359296	159890	6.95	-0.08
Feb-Mar	0.31	-	-	1151627	-	0.23

- US\$INR pair continued to hover around \$73 post Budget as well. A pullback could be possible due to major Put writing in 73 strike and weakness in Euro due to which Dollar index remained elevated
- The dollar-rupee February contract on the NSE was at ₹ 73.13 in the last session. The open interest fell 4.0% for February series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Feb)	73.04	73.09	73.14	73.19	73.24
US\$INR (Mar)	73.36	73.40	73.44	73.48	73.52
EURINR (Feb)	87.46	87.61	87.90	88.05	88.34
EURINR (Mar)	88.14	88.25	88.42	88.52	88.69
GBPINR (Feb)	99.20	99.36	99.68	99.84	100.15
GBPINR (Mar)	98.40	98.91	99.94	100.46	101.48
JPYINR (Feb)	69.33	69.38	69.46	69.52	69.60
JPYINR (Mar)	69.84	69.90	69.96	70.03	70.09

## US\$INR Strategy

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

Buy US\$INR in the range of 73.11-73.14	Market Lot: US\$1000
Target: 73.25/ 73.35	Stop Loss: 73.00
Support: 73.00/73.10	Resistance: 73.50/73.60

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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