

February 12, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	February futures	Sell	73.05	72.85	73.16	1 day

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INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	72.85	72.84	0.01
EUR-INR	88.32	88.31	0.01
GBP-INR	100.69	100.84	-0.15
JPY-INR (Future)	69.66	69.40	0.26

- The rupee remained largely flat against dollar in the previous session and ended below 73 once again. Positive FII inflows and weakness in the Dollar index were the major reason in the ongoing performance
- The Euro is advancing cautiously although the recent rally in the currency appears to be running out of steam. European Central Bank President Christine Lagarde said it was unlikely that inflation would move towards the ECB target of 2% in the medium term

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.96	6.01	-0.77
India 2 Year	4.63	4.63	0.04
US 10 Year	1.14	1.14	0.18
US 2 Year	0.11	0.11	1.83
Germany 10 Year	-0.46	-0.45	3.13

- During the first half of the session the Nifty consolidated with 15140 acting as a midpoint but later on buying emerged in Reliance Industries, which helped the Nifty to close the day near the day's high. On the options front, 15000 and 15100 Put hold significant OI that should act as immediate support
- The Bank Nifty had a sluggish session as it remained in a range throughout the day. In the weekly options space, 36000 and 36500 Call option has substantial OI while on the lower side 35000 and 35500 Put has noteworthy OI for the coming week

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	9054	7170	1884
Debt	860	1122	-262
Net			1622

- Foreign institutional investors (FII) remained positive as they bought to the tune of ₹ 1622 crore on February 9, 2021. They bought worth ₹ 1884 crore in the equity market and sold worth ₹ 262 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(%) change	
					OI	Vol
Feb	72.95	0.03	3472384	1339115	-1.00	6.90
Mar	73.22	0.00	589086	268661	11.77	30.54
Feb-Mar	0.27	-	-	1070454	-	-

- The US\$INR future remained below 73 levels on closing basis, which will keep the rupee pair depressed. We believe that the rupee is moving towards 72.50 levels gradually in coming sessions
- The dollar-rupee February contract on the NSE was at ₹ 72.95 in the last session. The open interest declined 1% for the February series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Feb)	72.65	72.80	72.89	73.04	73.13
US\$INR (Mar)	72.93	73.08	73.19	73.34	73.45
EURINR (Feb)	88.07	88.27	88.40	88.60	88.72
EURINR (Mar)	88.46	88.66	88.77	88.98	89.09
GBPINR (Feb)	100.50	100.66	100.80	100.96	101.09
GBPINR (Mar)	100.88	101.03	101.16	101.32	101.44
JPYINR (Feb)	69.46	69.56	69.65	69.75	69.84
JPYINR (Mar)	69.74	69.84	69.92	70.03	70.11

US\$INR Strategy

US\$INR Feb futures contract (NSE)

Sell US\$INR in the range of 73.03-73.07

Market Lot: US\$1000

Target: 72.85/ 72.80

Stop Loss: 73.16

Support: 72.85/72.75

Resistance: 73.15/73.30

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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ANALYST CERTIFICATION

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