

March 5, 2021

## Daily Currency outlook

### Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	March futures	Buy	73.02	73.40	72.90	1 day

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## INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	73.07	73.13	-0.06
EUR-INR	88.28	88.41	-0.13
GBP-INR	101.87	102.19	-0.32
JPY-INR (Future)	68.37	68.42	-0.05

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.21	6.23	-0.32
India 2 Year	4.74	4.76	-0.25
US 10 Year	1.47	1.47	0.07
US 2 Year	0.14	0.14	0.00
Germany 10 Year	-0.32	-0.29	8.90

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	11027	8777	2250
Debt	150	2272	-2122
Net			128

- The rupee consolidated and remained near 73 levels despite a sharp rise in the Dollar index. We feel follow up action would take the rupee towards 73.5 levels
- The dollar has gained along with US bond yields as impending US fiscal stimulus adds fuel to expectations of higher inflation and the rollout of vaccines indicates that the economy is headed for recovery

- The Nifty opened with a deep cut on the back of negative global cues. Thereafter it took support at the 15000 Put base. According to option data, 15000 Put option has significant OI, which should act as support. On the other hand, 15100 and 15200 have noteworthy OI, which should act as resistance
- The Bank Nifty opened lower though it tried to regain its initial losses but faced selling pressure at higher levels

- Foreign institutional investors (FII) remained net buyers to the tune of ₹ 128 crore on March 3, 2021. They bought worth ₹ 2250 crore in the equity market and sold worth ₹ 2122 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(%) change	
					OI	Vol
Mar	72.99	-0.19	2302748	2640526	-0.17	0.01
Apr	73.40	-0.19	964180	391338	-0.74	0.03
Mar-Apr	0.41	-	-	2249188	-	

- The rupee consolidated above 73 levels as the Dollar index remained firm above 91. We feel upsides could be seen in the US\$INR pair. It is likely to move towards 73.5 levels in coming days
- The dollar-rupee March contract on the NSE was at ₹ 72.99 in the last session. The open interest remained unchanged in the March and April series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	72.52	72.75	73.05	73.28	73.58
US\$INR (Apr)	72.92	73.16	73.45	73.69	73.98
EURINR (Mar)	87.55	87.77	88.08	88.30	88.61
EURINR (Apr)	88.04	88.25	88.58	88.79	89.12
GBPINR (Mar)	101.32	101.52	101.86	102.06	102.40
GBPINR (Apr)	101.79	102.01	102.36	102.58	102.93
JPYINR (Mar)	67.67	67.85	68.21	68.39	68.75
JPYINR (Apr)	68.08	68.28	68.60	68.80	69.12

## US\$INR Strategy

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

Buy US\$INR in the range of 73.00-73.04	Market Lot: US\$1000
Target: 73.20/ 73.40	Stop Loss: 72.90
Support: 72.70/72.90	Resistance: 73.50/73.90

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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