

March 24, 2021

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	March futures	Buy	72.49	72.75	72.35	1 day

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## INR Futures

Currency	Close	Pvs. Close	% Change
US\$-INR	72.42	72.37	0.05
EUR-INR	86.07	86.37	-0.30
GBP-INR	100.00	100.63	-0.63
JPY-INR (Future)	66.76	66.70	0.06

- After a few days of appreciation, the rupee witnessed some selling from its monthly highs and closed near 72.42 levels. Weakness was seen in most EM currencies
- The dollar index on Tuesday rallied to a two-week high ahead of Jerome Powell's testimony. The index reclaimed 92 levels as weakness in stocks on Tuesday increased the liquidity demand for the dollar

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.14	6.18	-0.58
India 2 Year	4.59	4.64	-1.08
US 10 Year	1.61	1.67	-3.66
US 2 Year	0.15	0.15	1.36
Germany 10 Year	-0.35	-0.31	13.92

- The Nifty continued to remain positive in a highly volatile day and closed with a gain of near 0.50%. The up move was led by banking and cement stocks while selling pressure was seen in metals and FMCG stocks
- On Tuesday, the Bank Nifty remained sluggish in the first half but witnessed gradual buying in the later part. The Bank Nifty managed to close above its major Call base of 34000 with the help of select private sector heavyweights

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	7466	7189	277
Debt	564	185	379
Net			656

- Foreign institutional investors (FII) remained net buyer to the tune of ₹ 656 crore on March 22. They bought worth ₹ 277 crore in the equity market and bought worth ₹ 379 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% ) change	
					OI	Vol
Mar	72.54	0.15	2802288	2650625	0.81	40.77
Apr	72.97	0.16	1613260	1048605	27.08	76.51
Mar-Apr	0.43	-	-	1602020	-	-

- Due to a sudden rise in the Dollar index the US\$INR pair moved higher as most EM currencies depreciated. However, depreciation could be limited and the rupee is likely to trade in a range due to aggressive Call writing in OTM strikes and weakness in crude oil prices
- The dollar-rupee March contract on the NSE was at ₹ 72.54 in the last session. The open interest increased by almost 0.8% for the March series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Mar)	72.26	72.40	72.50	72.65	72.75
US\$INR (Apr)	72.69	72.83	72.94	73.08	73.18
EURINR (Mar)	86.41	86.44	86.46	86.48	86.50
EURINR (Apr)	86.89	86.94	87.02	87.08	87.16
GBPINR (Mar)	99.46	99.69	100.08	100.31	100.71
GBPINR (Apr)	99.85	100.11	100.46	100.72	101.07
JPYINR (Mar)	66.62	66.65	66.68	66.70	66.73
JPYINR (Apr)	66.97	67.03	67.13	67.19	67.29

## US\$INR Strategy

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

Buy US\$INR in the range of 72.48-72.50

Market Lot: US\$1000

Target: 72.65/ 72.75

Stop Loss: 72.35

Support: 72.30/72.20

Resistance: 72.60/72.90

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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