

April 7, 2021

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	April futures	Buy	73.69	74.00	73.50	1 day

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## INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	73.43	73.29	0.14
EUR-INR	86.73	86.17	0.56
GBP-INR	101.64	101.61	0.03
JPY-INR (Future)	66.75	66.60	0.16

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.12	6.13	-0.11
India 2 Year	4.52	4.58	-1.33
US 10 Year	1.69	1.73	-2.31
US 2 Year	0.17	0.19	-8.60
Germany 10 Year	-0.31	-0.33	6.99

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	4705	5365	-660
Debt	229	1666	-1437
Net			-2097

- The rupee depreciated marginally ahead of the outcome of the Reserve Bank of India's monetary policy meeting
- Caution on the inflation front will likely keep the RBI's Monetary Policy committee from cutting policy rates. However, the MPC is broadly expected to keep its accommodative stance in light of the recent resurgence of Covid-19 infections

- The Nifty witnessed a volatile day but managed to end in the green. Healthy buying was seen in broader markets as midcap and small cap indices outperformed the Nifty
- The Bank Nifty continued to remain weak for a second consecutive day as it closed in the red with a loss of another 0.50%. Today, the outcome of the RBI's policy would set the tone for banking stocks ahead of the results season

- Foreign institutional investors (FII) turned net seller to the tune of ₹ 2097 crore on April 5. They sold worth ₹ 660 crore in the equity market and sold worth ₹ 1437 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% change)	
					OI	Vol
Apr	73.67	0.17	3160279	1764722	-0.68	-19.07
May	73.92	0.14	983397	209240	-2.60	-54.66
Apr-May	0.25	-	-	1555482	-	-

- The US dollar rebounded from a near two-week low on Tuesday as short-term optimism about the outlook for the US economy prompted investors to consolidate positions after a selloff overnight. However, continued Put writing may keep downsides limited while declines remain a buying opportunity
- The dollar-rupee April contract on the NSE was at ₹ 73.67 in the last session. The open interest declined 0.6% for the April series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	73.35	73.45	73.57	73.67	73.80
US\$INR (May)	73.58	73.70	73.83	73.95	74.08
EURINR (Apr)	86.19	86.35	86.54	86.69	86.88
EURINR (May)	86.46	86.63	86.84	87.01	87.22
GBPINR (Apr)	101.52	101.73	101.86	102.07	102.20
GBPINR (May)	101.57	101.91	102.13	102.47	102.70
JPYINR (Apr)	66.44	66.52	66.60	66.68	66.76
JPYINR (May)	66.58	66.72	66.88	67.03	67.19

## US\$INR Strategy

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

Buy US\$INR in the range of 73.67-73.71	Market Lot: US\$1000
Target: 74.00/ 74.15	Stop Loss: 73.50
Support: 73.50/73.20	Resistance: 74.00/74.15

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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