

May 3, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	May futures	Buy	74.28	74.60	74.15	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.06	74.04	0.02
EUR-INR	89.00	89.75	-0.75
GBP-INR	102.18	103.35	-1.17
JPY-INR (Future)	69.03	69.16	-0.13

- The rupee ended marginally lower as it snapped its four-day winning streak. Against the US dollar it fell 2 paise and ended near 74.06 levels
- A sharp surge was seen in the Dollar index last Friday, which was supported by better than estimate economic data and forecast that US would do better than its peers

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.03	6.06	-0.48
India 2 Year	4.46	4.46	0.11
US 10 Year	1.63	1.65	-1.39
US 2 Year	0.16	0.17	-2.29
Germany 10 Year	-0.21	-0.19	-7.85

- The Nifty opened lower on the back of rising Covid-19 cases with selling pressure increasing as the day progressed. Except pharma, all other sectoral indices closed in the red. On the options front, Call options saw major OI addition across multiple strikes. Hence, it indicates that upside would be capped
- On Friday, the Bank Nifty opened weak and remained under pressure as all banking stocks witnessed selling pressure. As per options data, 33000 Call option has substantial OI addition. Hence, it would remain a resistance zone

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6768	5326	1442
Debt	141	976	-835
Net			607

- Foreign institutional investors (FII) turned net buyer to the tune of ₹ 607 crore on April 29. They bought worth ₹ 1442 crore in the equity market and sold worth ₹ 835 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
May	74.39	0.02	2752885	2433597	4.18	1.80
June	74.73	0.06	545728	297704	15.75	-19.01
MAy-June	0.34	-	-	2135893	-	

- US\$INR is consolidating above its support levels of 74.25. Looking at a sharp rally in the Dollar index, we feel the US\$INR pair should move to 74.6 levels
- The dollar-rupee April contract on the NSE was at ₹ 74.39 in the last session. The open interest rose 4.2% for the May series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (May)	74.15	74.27	74.38	74.50	74.60
US\$INR (June)	74.49	74.61	74.70	74.82	74.91
EURINR (May)	89.88	90.00	90.19	90.31	90.49
EURINR (June)	90.28	90.42	90.64	90.78	90.99
GBPINR (May)	103.13	103.33	103.62	103.82	104.11
GBPINR (June)	103.58	103.76	104.01	104.18	104.43
JPYINR (May)	68.31	68.44	68.65	68.77	68.98
JPYINR (June)	68.60	68.72	68.93	69.05	69.26

US\$INR Strategy

US\$INR May futures contract (NSE)

Buy US\$INR in the range of 74.27-74.30

Market Lot: US\$1000

Target: 74.45/ 74.60

Stop Loss: 74.15

Support: 74.00/74.20

Resistance: 74.80/75.00

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 may have different view.



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ANALYST CERTIFICATION

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