

May 27, 2021

## Daily Currency outlook

### Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	May futures	Buy	72.78	73.00	72.65	1 day

### Research Analysts

**Raj Deepak Singh**  
rajdeepak.singh@icicisecurities.com

**Nandish Patel**  
nandish.patel@icicisecurities.com

## INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	72.77	72.96	-0.19
EUR-INR	89.05	89.01	0.04
GBP-INR	102.78	103.12	-0.34
JPY-INR (Future)	66.88	67.00	-0.12

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.97	5.97	0.00
India 2 Year	4.29	4.31	-0.42
US 10 Year	1.56	1.61	-2.99
US 2 Year	0.15	0.15	-5.03
Germany 10 Year	-0.18	-0.14	-22.38

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	8511	11662	-3151
Debt	665	1570	-905
Net			-4056

- The rupee appreciated by 19 paise to end near a two month high of 72.77 against the dollar on the back of weakness in the US dollar

- The Dollar index has moved moderately higher as it managed to sustain above 90 levels. Gains were supported by weakness in the EURUS\$

- The Nifty opened higher and closed higher with a gain of more than 0.55%. Healthy buying was seen in broader market especially in small cap stocks

- On Wednesday, the Bank Nifty witnessed muted activity before monthly expiry as it closed almost flat. Looking at options data, 34500 Put option holds substantial OI, which should act as support. On the other hand, 35000 Call option holds sizeable OI, which should act as resistance

- Foreign institutional investors (FII) turned net buyer to the tune of ₹ 4056 crore on May 24. They bought worth ₹ 3151 crore in the equity market and sold worth ₹ 905 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(%) change	
					OI	Vol
May	72.83	-0.18	1946383	1942053	-10.68	16.07
June	73.16	-0.20	1723975	1194943	18.33	80.20
May-June	0.33	-	-	747110	-	

- The rupee remained near the Put base of 73 as the Dollar index is hovering near support of 89-90 levels. We expect upsides to be seen in the US\$INR pair. Looking at options data, the May expiry is likely to be above 73 levels
- The dollar-rupee May contract on the NSE was at ₹ 72.96 in the last session. The open interest fell almost 6% for the May series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (May)	72.73	72.78	72.86	72.92	73.00
US\$INR (June)	73.06	73.11	73.20	73.26	73.34
EURINR (May)	88.96	89.10	89.21	89.34	89.46
EURINR (June)	89.39	89.52	89.63	89.77	89.88
GBPINR (May)	102.84	102.99	103.25	103.40	103.66
GBPINR (June)	103.26	103.42	103.68	103.84	104.10
JPYINR (May)	66.72	66.81	66.96	67.04	67.19
JPYINR (June)	67.02	67.11	67.27	67.35	67.51

## US\$INR Strategy

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

Buy US\$INR in the range of 72.76-72.80	Market Lot: US\$1000
Target: 73.00/ 73.10	Stop Loss: 72.65
Support: 72.70/72.50	Resistance: 73.00/73.20

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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Pankaj Pandey

Head – Research

[pankaj.pandey@icicisecurities.com](mailto:pankaj.pandey@icicisecurities.com)

ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, Akruti Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)

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## ANALYST CERTIFICATION

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