

May 31, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	June futures	Buy	72.81	73.00	72.70	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	72.44	72.59	-0.15
EUR-INR	88.26	88.48	-0.22
GBP-INR	102.70	102.92	-0.22
JPY-INR (Future)	66.24	66.88	-0.64

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	5.99	5.99	0.00
India 2 Year	4.30	4.30	0.00
US 10 Year	1.61	1.61	0.00
US 2 Year	0.15	0.15	0.00
Germany 10 Year	-0.18	-0.18	0.00

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	43558	43514	44
Debt	450	1400	-950
Net			-906

- The rupee extended gains for a fifth day as it gained 15 paise in the previous session to close at 74.44 against the dollar. Positive domestic equities helped the rupee to maintain its positive stance
- Following multi month low, the Dollar index rebound to 90.40 levels on last session on the back of key inflation data

- The Nifty opened gap up and ended higher as it closed with a gain of 0.64%. Though the Nifty manage to end higher, market breadth was weak as advance/decline ratio was in favour of bears. As per options data, 15200 and 15300 Put option has healthy OI, which should act as support on downside
- On Friday, the Bank Nifty continued its up move as it closed positive for a second consecutive day. In the banking space, PSU banks continue to outperform and dips should be used to create long positons

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 906 crore on May 27. They bought worth ₹ 44 crore in the equity market and sold worth ₹ 990 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(%) change	
					OI	Vol
June	72.81	-0.11	2616467	3168133	25.57	0.00
July	73.16	-0.12	265302	187779	-81.64	0.00
June-July	0.35	-	-	2980354	-	

- The positive sentiment in the domestic currency is influenced by a rally in domestic markets. However, the Dollar index has rebounded from its support levels. Similarly, US\$INR is at a crucial support. We expect the pair to move towards its Call base of 73 levels
- The dollar-rupee June contract on the NSE was at ₹ 72.81 in the last session. The open interest rose almost 25% for the June series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (June)	72.47	72.64	72.82	72.99	73.17
US\$INR (July)	72.90	73.03	73.13	73.26	73.36
EURINR (June)	88.35	88.52	88.74	88.91	89.13
EURINR (July)	88.77	88.95	89.17	89.35	89.57
GBPINR (June)	102.79	102.99	103.29	103.49	103.79
GBPINR (July)	103.42	103.53	103.70	103.81	103.98
JPYINR (June)	65.77	66.00	66.42	66.65	67.07
JPYINR (July)	66.22	66.40	66.70	66.88	67.18

US\$INR Strategy

US\$INR June futures contract (NSE)

Buy US\$INR in the range of 72.78-72.82	Market Lot: US\$1000
Target: 73.00/ 73.10	Stop Loss: 72.68
Support: 72.70/72.50	Resistance: 73.00/73.10

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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