

June 14, 2021

Daily Currency outlook

Recommendation in the report

| Currency Pair | Contract | Action | Price | Target | Stoploss | Duration |
|---------------|--------------|--------|-------|--------|----------|----------|
| US\$INR | June futures | Buy | 73.12 | 73.40 | 72.98 | 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 | 73.07 | 73.05 | 0.02 |
| EUR-INR | 88.62 | 88.94 | -0.32 |
| GBP-INR | 103.37 | 103.41 | -0.04 |
| JPY-INR (Future) | 66.80 | 66.86 | -0.06 |

- The rupee depreciated against the US dollar for a fourth day in a row on Friday despite a rally in equities
- The dollar index is going to be in focus this week as market participants have a lot of expectations from US Monetary Policy on June 16. The two key factors on which the Fed will focus on are inflation and job numbers

Global Bonds

| Indices | Close | Pvs. Close | % Change |
|-----------------|-------|------------|----------|
| India 10 Year | 6.01 | 6.02 | -0.22 |
| India 2 Year | 4.24 | 4.32 | -1.87 |
| US 10 Year | 1.46 | 1.44 | 1.39 |
| US 2 Year | 0.15 | 0.15 | 2.08 |
| Germany 10 Year | -0.27 | -0.26 | -6.82 |

- The Nifty opened higher and continued its uptrend as it closed with a gain of 0.39%. Sectorally, metals and IT stocks witnessed buying while realty and media were under selling pressure. Looking at options data, 15700 Put option has sizeable OI, which should act as support
- The Bank Nifty witnessed a volatile day where it closed with a loss of more than 0.24%. The banking index is lacking positive momentum as it is underperforming broader indices. According to options data, both 35000 Call and Put option witnessed noteworthy OI addition, which indicates it should continue to trade around 35000 levels

FII & FPI Activities

| Segment | Purchase | Sell | Net Rs. crores |
|---------|----------|------|----------------|
| Equity | 7695 | 6252 | 1443 |
| Debt | 3214 | 2163 | 1051 |
| Net | | | 2494 |

- Foreign institutional investors (FII) turned net buyer to the tune of ₹ 2494 crore on June 10. They bought worth ₹ 1443 crore in the equity market and bought worth ₹ 1051 crore in the debt market

US\$INR futures on NSE

| Contracts | LTP | chng (%) | OI | Vol | (% change) | |
|-----------|-------|----------|---------|---------|------------|--------|
| | | | | | OI | Vol |
| June | 73.20 | 0.00 | 2413309 | 3168133 | -0.65 | -55.58 |
| July | 73.46 | 0.03 | 505018 | 187779 | 10.69 | 55.02 |
| June-July | 0.26 | - | - | 2980354 | - | |

- With the dollar index hovering near support of 89-90 levels ahead of US Fed monetary policy, the US\$INR has ended above its Call base of 73 levels. Hence, we expect a move towards 73.50 in coming days
- The dollar-rupee June contract on the NSE was at ₹ 73.20 in the last session. The open interest remained almost unchanged for the June series

Pivot levels

| Futures | S2 | S1 | Pivot | R1 | R2 |
|----------------|--------|--------|--------|--------|--------|
| US\$INR (June) | 72.90 | 73.05 | 73.13 | 73.28 | 73.36 |
| US\$INR (July) | 73.22 | 73.34 | 73.40 | 73.52 | 73.58 |
| EURINR (June) | 88.65 | 88.77 | 88.97 | 89.09 | 89.29 |
| EURINR (July) | 89.07 | 89.18 | 89.34 | 89.45 | 89.61 |
| GBPINR (June) | 103.40 | 103.49 | 103.59 | 103.68 | 103.78 |
| GBPINR (July) | 103.82 | 104.03 | 104.19 | 104.40 | 104.56 |
| JPYINR (June) | 66.68 | 66.74 | 66.82 | 66.88 | 66.96 |
| JPYINR (July) | 66.95 | 66.99 | 67.06 | 67.11 | 67.18 |

US\$INR Strategy

US\$INR June futures contract (NSE)

| | |
|---|-------------------------|
| Buy US\$INR in the range of 73.10-73.14 | Market Lot: US\$1000 |
| Target: 73.40/ 73.50 | Stop Loss: 72.98 |
| Support: 73.00/72.90 | Resistance: 73.50/73.65 |

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.



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

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

ANALYST CERTIFICATION

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