

June 21, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	June futures	Buy	74.05	74.35	73.89	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	73.86	74.08	-0.22
EUR-INR	87.88	88.41	-0.53
GBP-INR	102.30	103.32	-1.02
JPY-INR (Future)	67.15	67.01	0.14

- The rupee appreciated almost 22 paise despite continued up move in the dollar index. Equity inflows due to index rebalancing may have triggered recent appreciation in the pair
- The Dollar index continued its upward move seen after the Fed meet and strengthened to its highest levels seen since mid-April. However, US 10 year bond yields moved back to 1.44 levels

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.01	6.02	-0.22
India 2 Year	4.38	4.43	-1.17
US 10 Year	1.44	1.52	-5.00
US 2 Year	0.25	0.22	16.18
Germany 10 Year	-0.20	-0.20	0.25

- The Nifty witnessed a very volatile day where it recovered from lower level but managed to close almost flat. Broader markets witnessed profit booking as advance/ decline ratio was in favour of bears. Looking at option data, 15800 Call option observed significant OI addition, which should act as resistance
- On Friday, despite significant volatility, the Bank Nifty exhibited strong recovery from lower levels. Healthy recovery from was seen in private banking as it closed in green. According to option data, 34500 and 34000 Put option hold noteworthy OI, which should act as support

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6767	7681	-914
Debt	404	530	-126
Net			-1040

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 1040 crore on June 17. They sold worth ₹ 914 crore in the equity market and sold worth ₹ 125 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
June	74.01	-0.23	2264928	3168133	-2.72	-16.49
July	74.27	-0.21	758335	187779	3.20	-28.38
June-July	0.26	-	-	2980354	-	

- Despite the sharp up move seen in the Dollar index, the US\$INR appreciated and moved back towards 74 levels. However, we believe the depreciation may continue in the short term and the US\$INR pair should move higher towards 74.50 levels
- The dollar-rupee June contract on the NSE was at ₹ 74.01 in the last session. The open interest declined almost 3% for the June series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (June)	73.61	73.81	74.09	74.29	74.57
US\$INR (July)	73.88	74.07	74.34	74.54	74.81
EURINR (June)	102.31	102.58	102.99	103.26	103.68
EURINR (July)	102.68	102.94	103.34	103.60	104.00
GBPINR (June)	87.80	88.00	88.28	88.48	88.77
GBPINR (July)	88.16	88.34	88.63	88.81	89.10
JPYINR (June)	66.80	66.98	67.26	67.43	67.71
JPYINR (July)	67.11	67.28	67.51	67.68	67.91

US\$INR Strategy

US\$INR June futures contract (NSE)

Buy US\$INR in the range of 74.03-74.07	Market Lot: US\$1000
Target: 74.35/ 74.50	Stop Loss: 73.89
Support: 73.90/73.70	Resistance: 74.35/74.50

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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