

June 24, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	June futures	Buy	74.22	74.50	74.10	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.27	74.36	-0.09
EUR-INR	88.54	88.51	0.03
GBP-INR	103.53	103.49	0.04
JPY-INR (Future)	66.95	67.01	-0.06

- For a couple of sessions the rupee has been trading in a range of 25 paise. Yesterday, it managed to gain 10 paise and ended near 74.27
- The Dollar index recovered from early losses and ended almost flat for the day. Current account deficit widened to a 14-year high, which should keep the dollar move in check. We feel it is likely to consolidate above 91.5 levels

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.02	6.03	-0.12
India 2 Year	4.50	4.49	0.16
US 10 Year	1.48	1.47	1.16
US 2 Year	0.26	0.24	6.34
Germany 10 Year	-0.18	-0.16	-7.90

- Despite starting the day on a positive note, ATM and OTM Call writers dominated the day and dragged the Nifty lower by 180 points from highs. The Nifty broke its intermediate support level of 15700 due to selling in RIL, TCS, banking & financials and other heavyweights. However, 15600 Put has significant OI that can act as support on downsides
- For a major part of the day, the Bank Nifty remained under pressure due to selling in select private banks along with midcap banks

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6786	7466	-680
Debt	252	45	206
Net			-474

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 474 crore on June 21. They sold worth ₹ 680 crore in the equity market and bought worth ₹ 206 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% change)	
					OI	Vol
June	74.31	-0.08	2064095	3168133	-7.04	-3.12
July	74.54	-0.09	1019585	187779	15.59	13.91
June-July	0.23	-	-	2980354	-	

- US\$INR continued to trade above 74 levels supported by a strong dollar and crude oil prices. We continue to feel that due to a rise in Dollar index, the US\$INR pair should move towards 74.6 levels in coming days
- The dollar-rupee June contract on the NSE was at ₹ 74.31 in the last session. The open interest fell 7.1% for the June series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (June)	73.96	74.16	74.31	74.51	74.66
US\$INR (July)	74.06	74.33	74.51	74.79	74.97
EURINR (June)	102.83	103.04	103.17	103.39	103.52
EURINR (July)	103.14	103.34	103.47	103.67	103.80
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 74.20-74.24	Market Lot: US\$1000
Target: 74.40/ 74.50	Stop Loss: 74.10
Support: 73.90/73.70	Resistance: 74.40/74.70

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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