

June 29, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Buy	74.44	74.75	74.29	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.19	74.20	-0.01
EUR-INR	88.61	88.54	0.07
GBP-INR	103.12	103.12	0.00
JPY-INR (Future)	67.09	67.04	0.05

- For a major part of the day the rupee lacked momentum and ended almost flat at 74.19 levels
- Hawkish Fed comments on Monday helped the Dollar index to move slightly higher while dovish ECB comments undercut the EURUS\$. We feel the Dollar index should find support near 91.5 levels

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.06	6.03	0.46
India 2 Year	4.45	4.55	-2.22
US 10 Year	1.48	1.53	-3.01
US 2 Year	0.25	0.27	-6.02
Germany 10 Year	-0.19	-0.15	-25.67

- The Nifty opened higher but faced resistance from its major Call base of 15900. Hence, it closed lower with a loss of more than 0.21%. For the Nifty to start a fresh up move closing above 15900 would be crucial as 15900 Call option holds significant OI, which should act as resistance
- On Monday, the Bank Nifty largely remained range bound as it closed almost flat. Large cap private banks witnessed selling pressure from higher levels while PSU banks witnessed healthy buying. According to option data, 35500 Call option witnessed significant OI addition, which should act as resistance

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	7495	7674	-179
Debt	133	1104	-971
Net			-1151

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 1151 crore on June 25. They sold worth ₹ 179 crore in the equity market and sold worth ₹ 971 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% change)	
					OI	Vol
July	74.43	-0.01	1798524	3168133	26.32	84.35
August	74.69	-0.01	515889	187779	18.28	98.90
June-July	0.26	-	-	2980354	-	-

- Weakness in the rupee should continue as crude oil prices moved to 2018 highs. Huge writing positions were formed even in OTM Puts for the July series, which should provide support to the US\$INR pair
- The dollar-rupee June contract on the NSE was at ₹ 74.43 in the last session. The open interest rose 26.3% for the July series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.22	74.33	74.51	74.62	74.80
US\$INR (Aug)	74.60	74.65	74.72	74.76	74.83
EURINR (July)	88.73	88.83	88.91	89.01	89.09
EURINR (Aug)	89.07	89.15	89.25	89.33	89.43
GBPINR (July)	103.26	103.37	103.52	103.63	103.78
GBPINR (Aug)	103.39	103.62	103.87	104.10	104.35
JPYINR (July)	67.05	67.16	67.21	67.32	67.37
JPYINR (Aug)	67.32	67.40	67.47	67.55	67.62

US\$INR Strategy

US\$INR July futures contract (NSE)

Buy US\$INR in the range of 74.42-74.44	Market Lot: US\$1000
Target: 74.65/ 74.75	Stop Loss: 74.29
Support: 74.30/74.10	Resistance: 74.70/74.90

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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