

June 30, 2021

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Buy	74.42	74.65	74.30	1 day

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## INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.22	74.19	0.03
EUR-INR	88.45	88.61	-0.16
GBP-INR	102.82	103.12	-0.30
JPY-INR (Future)	67.14	67.09	0.05

- The rupee has been trading in a tight range for a couple of sessions. Yesterday, the rupee depreciated by 3 paise against the dollar as weakness in domestic equities continued for a second day
- The dollar index witnessed safe haven buying as more countries are expected to impose fresh lockdown post spread in the Delta virus. Dollar index is likely to move towards 92.5 levels in coming weeks

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.04	6.06	-0.33
India 2 Year	4.59	4.45	3.08
US 10 Year	1.48	1.48	-0.27
US 2 Year	0.25	0.25	0.00
Germany 10 Year	-0.17	-0.19	7.69

- The Nifty corrected from higher levels for a second consecutive day as Call writers dominated the day. Only FMCG and pharma indices managed to close in the green while all other indices closed in the red. For the Nifty, upside looks capped as healthy Call writing was seen at 15800 and 15900 strike
- Banking stocks witnessed selling pressure, which led the Bank Nifty to close in a loss of more than 0.90%. According to options data, both 35000 Call and Put options witnessed significant OI addition

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6361	7539	-1178
Debt	371	412	-41
Net			-1219

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 1219 crore on June 28. They sold worth ₹ 1178 crore in the equity market and sold worth ₹ 41 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% change)	
					OI	Vol
July	74.50	0.09	1749196	3168133	-2.74	-34.97
August	74.76	0.09	530234	187779	2.78	-12.61
June-July	0.27	-	-	2980354	-	

- Overall volatility in the rupee is declining as no major triggers are seen in the Dollar index. However, we feel the rupee is near its support of 74.25 and a move towards 74.6 is expected
- The dollar-rupee June contract on the NSE was at ₹ 74.50 in the last session. The open interest fell 2.7% for the July series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.38	74.44	74.48	74.54	74.58
US\$INR (Aug)	74.64	74.70	74.74	74.81	74.85
EURINR (July)	88.26	88.34	88.48	88.57	88.71
EURINR (Aug)	88.89	88.95	89.04	89.10	89.18
GBPINR (July)	103.41	103.41	103.41	103.41	103.41
GBPINR (Aug)	103.07	103.22	103.46	103.61	103.85
JPYINR (July)	67.22	67.29	67.37	67.45	67.53
JPYINR (Aug)	67.26	67.45	67.66	67.84	68.05

## US\$INR Strategy

### US\$INR July futures contract (NSE)

Buy US\$INR in the range of 74.40-74.43	Market Lot: US\$1000
Target: 74.55/ 74.65	Stop Loss: 74.30
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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