

July 1, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Buy	74.50	74.80	74.38	1 day

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INR Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.32	74.22	0.10
EUR-INR	88.12	88.45	-0.33
GBP-INR	102.65	102.82	-0.17
JPY-INR (Future)	67.18	67.14	0.04

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.05	6.04	0.25
India 2 Year	4.59	4.59	0.15
US 10 Year	1.47	1.48	-0.81
US 2 Year	0.25	0.25	1.00
Germany 10 Year	-0.20	-0.17	-17.53

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	10595	7305	3290
Debt	405	895	-490
Net			2801

- The rupee weakened further against the US dollar and closed at 74.32 levels, down 10 paise. A sharp sell-off in domestic equities can be attributed to the fall
- The dollar found support Wednesday on quarter-end demand along with safe-haven demand from the spread of the dangerous Delta Covid variant throughout the world. The dollar extended its gains on Wednesday on mostly better-than-expected US economic data

- The Nifty opened higher, attempted to strengthen but failed to sustain at higher levels and slipped lower to end near day's low. Advance decline ratio was in favour of bears. According to options data, Call writers continue to hold noteworthy OI positions at 15800 and 15900 strike, which should act as immediate resistance
- The Bank Nifty continued to slip lower as it failed to hold at higher levels. Both private as well as PSU banks witnessed selling pressure

- Foreign institutional investors (FII) turned net buyers to the tune of ₹ 2801 crore on June 29. They bought worth ₹ 3290 crore in the equity market and sold worth ₹ 490 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
July	74.54	0.05	1730829	3168133	-1.05	52.98
August	74.81	0.06	572735	187779	8.02	34.18
June-July	0.27	-	-	2980354	-	

- The US\$INR future ended almost flat post high intraday volatility. We feel the pair should move towards its sizeable Call base of 75
- The dollar-rupee June contract on the NSE was at ₹ 74.54 in the last session. The open interest fell 1.1% for the July series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.27	74.40	74.54	74.68	74.82
US\$INR (Aug)	74.54	74.68	74.81	74.95	75.08
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 74.48-74.51	Market Lot: US\$1000
Target: 74.70/ 74.80	Stop Loss: 74.38
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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