

July 13, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Sell	74.79	74.50	74.91	1 day

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Rupee Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.75	74.62	0.13
EUR-INR	88.44	88.36	0.08
GBP-INR	103.53	103.08	0.45
JPY-INR (Future)	67.60	67.40	0.20

- The rupee traded flat in the first half. However, it depreciated almost 13 paise in the second half and ended near 74.75 levels
- The dollar on Monday posted moderate gains on weakness in EUR/US\$ and strength in US\$/JPY. EUR/US\$ fell after ECB President Lagarde signalled the ECB may begin fresh stimulus measures next year after its PEPP program expires

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.22	6.19	0.55
India 2 Year	4.34	4.31	0.53
US 10 Year	1.37	1.36	0.81
US 2 Year	0.23	0.22	4.62
Germany 10 Year	-0.30	-0.29	-3.45

- The Nifty opened higher but faced resistance from 15800 Call writers as it closed almost flat. Broader market witnessed healthy buying as advance/ decline ratio was in favour of bulls. Looking at options data, aggressive Call writing was seen at higher strikes especially at 15800 and 15900, which should act as immediate resistance zone
- The Bank Nifty opened higher and despite selling pressure managed to close with a gain of more than 0.12%

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	3969	4972	-1004
Debt	588	508	81
Net			-923

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 923 crore on July 9. They sold worth ₹ 1004 crore in the equity market and bought worth ₹ 81 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
July	74.75	-0.04	1753944	3168133	0.44	27.16
August	75.01	-0.05	819722	187779	-1.12	5.51
June-July	0.26	-	-	2980354	-	

- The US\$INR pair is struggling marginally below its sizeable Call base of 75. Looking at the Call OI addition, we feel a move towards 74.5 is due
- The dollar-rupee July contract on the NSE was at ₹ 74.75 in the last session. The open interest remained flat for the July series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.44	74.59	74.69	74.85	74.94
US\$INR (Aug)	74.71	74.86	74.95	75.10	75.20
EURINR (July)	88.41	88.57	88.66	88.82	88.91
EURINR (Aug)	88.58	88.82	88.95	89.18	89.31
GBPINR (July)	102.92	103.08	103.15	103.31	103.38
GBPINR (Aug)	103.13	103.39	103.54	103.80	103.95
JPYINR (July)	67.71	67.78	67.89	67.97	68.08
JPYINR (Aug)	68.02	68.13	68.24	68.35	68.47

US\$INR Strategy

US\$INR July futures contract (NSE)

Sell US\$INR in the range of 74.78-74.80	Market Lot: US\$1000
Target: 74.60/ 74.50	Stop Loss: 74.91
Support: 74.30/74.50	Resistance: 75.00/75.30

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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