

July 20, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Buy	74.90	75.20	74.72	1 day

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Rupee Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.87	74.32	0.55
EUR-INR	88.30	88.12	0.18
GBP-INR	102.36	102.65	-0.29
JPY-INR (Future)	68.32	67.18	1.14

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.13	6.05	1.26
India 2 Year	4.40	4.59	-4.31
US 10 Year	1.21	1.47	-17.33
US 2 Year	0.22	0.25	-13.03
Germany 10 Year	-0.39	-0.20	-92.96

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	5018	5442	-424
Debt	991	1170	-180
Net			-603

- The rupee witnessed sharp depreciation against the dollar in the last session and lost 55 paise amid a strengthening dollar index
- The safe-haven US dollar moved higher against a basket of major currencies on Monday as investors grew nervous about a raging Coronavirus variant that could threaten the outlook for a global economic recovery. The greenback jumped even as the US 10-year Treasury yield dropped to a more than five-month low of 1.176%

- The Nifty opened gap down and failed to gain any strength as it closed with a loss of more than 1.07%. Except pharma and realty, all other indices closed in the red. Looking at options data, the Nifty is likely to face resistance at higher levels as healthy Call OI addition was seen across multiple strikes
- The Bank Nifty opened lower on the back of weak global clues along with weak quarterly results from HDFC Bank. Aggressive selling was seen in most private banks as they closed with heavy losses

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 603 crore on July 16. They sold worth ₹ 424 crore in the equity market and worth ₹ 180 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(%) change	
					OI	Vol
July	75.02	0.65	1712086	3168133	-1.08	-1.75
August	75.27	0.62	916095	187779	59.95	46.49
July-August	0.25	-	-	2980354	-	

- The US\$INR has moved higher towards 75 levels surpassing its highest Call base. Continued up move towards 75.50 is expected in the coming sessions
- The dollar-rupee July contract on the NSE was at ₹ 75.02 in the last session. The open interest fell almost 1% for the July series while August series OI increased by almost 60%

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.64	74.83	74.96	75.15	75.28
US\$INR (Aug)	74.86	75.07	75.20	75.41	75.55
EURINR (July)	87.06	87.72	88.09	88.75	89.11
EURINR (Aug)	88.47	88.59	88.68	88.79	88.88
GBPINR (July)	102.55	102.71	102.88	103.05	103.21
GBPINR (Aug)	102.88	103.05	103.22	103.39	103.56
JPYINR (July)	67.83	68.08	68.24	68.49	68.65
JPYINR (Aug)	67.98	68.17	68.39	68.58	68.81

US\$INR Strategy

US\$INR July futures contract (NSE)

Buy US\$INR in the range of 74.88-74.91

Market Lot: US\$1000

Target: 75.20/ 75.30

Stop Loss: 74.72

Support: 74.70/74.50

Resistance: 75.20/75.30

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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