

July 22, 2021

# Daily Currency outlook

## Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	July futures	Sell	74.92	74.70	75.10	1 day

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## Rupee Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.62	74.87	-0.25
EUR-INR	87.77	88.30	-0.53
GBP-INR	101.57	102.36	-0.79
JPY-INR (Future)	68.30	68.32	-0.02

- After a sharp fall of 55 paise, the rupee managed to recover some loss and ended 25 paise higher. The rupee closed at 73.62 levels in the last session
- The dollar extended Monday's gain and moved to new three-months high on continued liquidity demand in stocks. GBP/US\$ on Tuesday tumbled to a five and a half month low on dovish comments from BoE policymakers

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.12	6.13	-0.13
India 2 Year	4.26	4.40	-3.14
US 10 Year	1.21	1.21	0.00
US 2 Year	0.20	0.22	-8.15
Germany 10 Year	-0.42	-0.39	-5.60

- On Tuesday, the Nifty opened lower and ended at the lowest point in the past six weeks as it closed with a loss of more than 0.75%. Sectorally, except FMCG, all other indices closed with losses. According to options data, the Nifty is likely to face a hurdle at 15800 as substantial Call writing was seen
- The Bank Nifty continued to face selling pressure for a third consecutive day as it closed with a loss of more than 1.89%. Looking at options data, Put unwinding was seen across multiple strikes while substantial Call OI was seen at 34500 and 35000 strike

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6322	8601	-2279
Debt	336	435	-99
Net			-2378

- Foreign institutional investors (FII) turned net sellers to the tune of ₹ 2378 crore on July 19. They sold worth ₹ 2279 crore in the equity market and worth ₹ 99 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(%) change	
					OI	Vol
July	74.71	-0.42	1544613	3168133	-9.78	29.98
August	74.96	-0.42	922308	187779	0.68	11.73
July-August	0.25	-	-	2980354	-	

- The US\$INR has again reverted from its highest Call base of 75. We feel only a sustainable close above this level would open up more upsides. Until then, it is likely to remain in a range
- The dollar-rupee July contract on the NSE was at ₹ 74.71 in the last session. The open interest fell almost 8.7% for the July series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (July)	74.37	74.54	74.79	74.95	75.20
US\$INR (Aug)	74.63	74.79	75.04	75.20	75.44
EURINR (July)	87.69	87.86	88.17	88.34	88.64
EURINR (Aug)	88.04	88.21	88.51	88.68	88.99
GBPINR (July)	101.08	101.44	102.11	102.47	103.14
GBPINR (Aug)	101.45	101.78	102.39	102.71	103.32
JPYINR (July)	67.82	68.00	68.26	68.44	68.69
JPYINR (Aug)	68.03	68.23	68.51	68.71	68.99

## US\$INR Strategy

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

Sell US\$INR in the range of 74.90-74.94

Market Lot: US\$1000

Target: 74.80/ 74.70

Stop Loss: 75.10

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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