

August 11, 2021

## Daily Currency outlook

### Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	August futures	Buy	74.50	74.70	74.38	1 day

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## Rupee Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.42	74.26	0.16
EUR-INR	87.32	87.32	0.00
GBP-INR	103.14	102.99	0.15
JPY-INR (Future)	67.46	67.64	-0.18

## Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.22	6.22	0.05
India 2 Year	4.54	4.56	-0.35
US 10 Year	1.35	1.32	2.50
US 2 Year	0.24	0.22	9.27
Germany 10 Year	-0.46	-0.46	-0.26

## FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6223	5778	445
Debt	162	238	-76
Net			369

- The rupee extended losses for a second straight session on Tuesday and fell by 16 paise to end at 74.42 on the back of a strong recovery in the Dollar index
- The dollar steadied in early trading on Wednesday, trading near its four month highs of 93 levels, maintaining its resilience over growing expectations that the US Federal Reserve could begin asset tapering sooner than expected

- The Nifty saw a volatile day where it managed to close with a gain of more than 0.09%. As per options data, the Nifty is likely to remain range bound as 16200 Put and 16300 Call hold significant OI
- On Tuesday, the Bank Nifty tried to sustain above 36200 but failed and closed almost fall. According to options data, the Bank Nifty is likely to face resistance on higher side as 36200 and 36500 Call option holds significant OI. On the other hand, 36000 Put holds meaningful OI, which should act as immediate support

- Foreign institutional investors (FII) turned net buyer to the tune of ₹ 369 crore on August 9. They bought worth ₹ 445 crore in the equity market and sold worth ₹ 76 crore in the debt market

## US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
August	74.51	0.12	2288496	3168133	-1.91	32.90
September	74.73	0.12	469552	187779	9.04	36.42
August-Sept	0.22	-	-	2980354	-	

- On the options front, the US\$INR has significant open interest at 74.25 and 74.50 Put strike. It suggests that US\$INR is likely to consolidate above 74.50 levels. However, positive domestic equities will limit the depreciation of the rupee
- The dollar-rupee August contract on the NSE was at ₹ 74.51 in the last session. The open interest fell almost 2% for the August series

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Aug)	74.39	74.45	74.54	74.60	74.68
US\$INR (Sep)	74.61	74.67	74.76	74.82	74.90
EURINR (Aug)	87.26	87.35	87.49	87.58	87.73
EURINR (Sep)	87.40	87.58	87.77	87.94	88.13
GBPINR (Aug)	102.98	103.12	103.26	103.40	103.54
GBPINR (Sep)	103.31	103.44	103.56	103.69	103.82
JPYINR (Aug)	67.34	67.40	67.52	67.59	67.71
JPYINR (Sep)	67.56	67.62	67.74	67.80	67.92

## US\$INR Strategy

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

Buy US\$INR in the range of 74.48-74.52	Market Lot: US\$1000
Target: 74.70/ 74.80	Stop Loss: 74.38
Support: 74.40/74.20	Resistance: 74.75/74.90

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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