

August 12, 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	74.43	74.42	0.01
EUR-INR	87.14	87.32	-0.18
GBP-INR	102.94	103.14	-0.20
JPY-INR (Future)	67.39	67.46	-0.07

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.24	6.22	0.21
India 2 Year	4.54	4.54	-0.07
US 10 Year	1.34	1.35	-0.74
US 2 Year	0.22	0.22	-1.44
Germany 10 Year	-0.47	-0.46	-1.86

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	6693	6773	-80
Debt	100	425	-325
Net			-405

- The rupee extended losses for a third straight session on Wednesday and fell by 1 paise to end at 74.42 amid weakness in most Asian currencies
- The dollar held near a four month peak against major currencies on Thursday after retreating overnight as a cooling in consumer inflation tampered bets for an earlier tightening of US monetary policy

- The Nifty witnessed a volatile day where it rebounded after taking support from 16200 Put writers. Looking at option data, 16300 Call option witnessed significant OI addition, which should act as resistance. On the other hand, 16200 Put option holds noteworthy OI, which should act as support
- The Bank Nifty remained under pressure as it underperformed the Nifty and closed with a loss of more than 0.60%

- Foreign institutional investors (FII) turned net seller to the tune of ₹ 405 crore on August 10. They seller worth ₹ 80 crore in the equity market and sold worth ₹ 325 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
August	74.54	0.04	2300576	3168133	0.53	-21.38
September	74.77	0.05	505365	187779	7.63	-26.14
August-Sept	0.23	-	-	2980354	-	

- The rupee is expected to maintain its trading range between the level of 74.40 and 74.60 as aggressive additions were seen in ATM 74.50 Call, Put strikes of US\$INR, which indicates consolidation around these levels
- The dollar-rupee August contract on the NSE was at ₹ 74.54 in the last session. The open interest rose almost 0.53% for the August series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Aug)	74.45	74.50	74.56	74.61	74.67
US\$INR (Sep)	74.66	74.71	74.78	74.83	74.90
EURINR (Aug)	87.31	87.35	87.42	87.46	87.53
EURINR (Sep)	87.62	87.66	87.73	87.77	87.84
GBPINR (Aug)	102.79	102.90	103.05	103.15	103.30
GBPINR (Sep)	103.15	103.24	103.36	103.45	103.57
JPYINR (Aug)	67.28	67.33	67.39	67.45	67.51
JPYINR (Sep)	67.51	67.56	67.61	67.66	67.71

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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ANALYST CERTIFICATION

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