

August 13, 2021

Daily Currency outlook

Recommendation in the report

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	August futures	Buy	74.34	74.57	74.20	1 day

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Rupee Pairs

Currency	Close	Pvs. Close	% Change
US\$-INR	74.26	74.43	-0.17
EUR-INR	87.19	87.14	0.05
GBP-INR	102.80	102.94	-0.14
JPY-INR (Future)	67.36	67.39	-0.03

- The rupee recovered by 17 paise to close at 74.26 on Thursday on a sharp recovery in equities, softness in dollar index from higher levels
- The dollar held firm on early Friday, hovering near its highest level in four months against major currencies as market participants looked for more hints from the Fed on its plans to reduce monetary stimulus

Global Bonds

Indices	Close	Pvs. Close	% Change
India 10 Year	6.23	6.24	-0.16
India 2 Year	4.55	4.54	0.20
US 10 Year	1.37	1.34	2.31
US 2 Year	0.23	0.22	3.84
Germany 10 Year	-0.45	-0.47	2.79

- The Nifty opened higher and closed at an all-time high with a gain of more than 0.46%. Broader markets recovered and closed with hefty gains. Looking at options data, 16300 Put option witnessed substantial OI addition, which should act as immediate support and limit downside
- The Bank Nifty witnessed buying from lower levels as it closed with a gain of more than 0.41%. In banking stocks, PSU banks outperformed private banks after a while

FII & FPI Activities

Segment	Purchase	Sell	Net Rs. crores
Equity	7348	7051	297
Debt	844	553	291
Net			588

- Foreign institutional investors (FII) turned net buyer to the tune of ₹ 588 crore on August 10. They were buyer worth ₹ 297 crore in the equity market and buyer worth ₹ 291 crore in the debt market

US\$INR futures on NSE

Contracts	LTP	chng (%)	OI	Vol	(% change)	
					OI	Vol
August	74.35	-0.25	2269605	3168133	-1.35	8.73
September	74.59	-0.24	537822	187779	6.42	29.16
August-Sept	0.24	-	-	2980354	-	

- On the options front, US\$INR has significant open interest at 74.25 Put strike. It suggests that US\$INR is likely to consolidate above 74.25 levels in the coming sessions. On upsides, 74.60 level will act as a hurdle
- The dollar-rupee August contract on the NSE was at ₹ 74.35 in the last session. The open interest fell almost 1.35% for the August series

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Aug)	74.26	74.31	74.38	74.42	74.49
US\$INR (Sep)	74.50	74.54	74.60	74.65	74.71
EURINR (Aug)	87.29	87.33	87.38	87.42	87.47
EURINR (Sep)	87.60	87.64	87.70	87.73	87.79
GBPINR (Aug)	102.85	102.93	103.07	103.16	103.30
GBPINR (Sep)	103.18	103.26	103.40	103.48	103.61
JPYINR (Aug)	67.28	67.32	67.39	67.43	67.50
JPYINR (Sep)	67.54	67.57	67.62	67.66	67.71

US\$INR Strategy

US\$INR August futures contract (NSE)

Buy US\$INR in the range of 74.32-74.36	Market Lot: US\$1000
Target: 74.57/ 74.70	Stop Loss: 74.20
Support: 74.30/74.20	Resistance: 74.60/74.70

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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