

September 20, 2021

Daily Currency outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Sep futures	Buy	73.55	73.85	73.40	1 day

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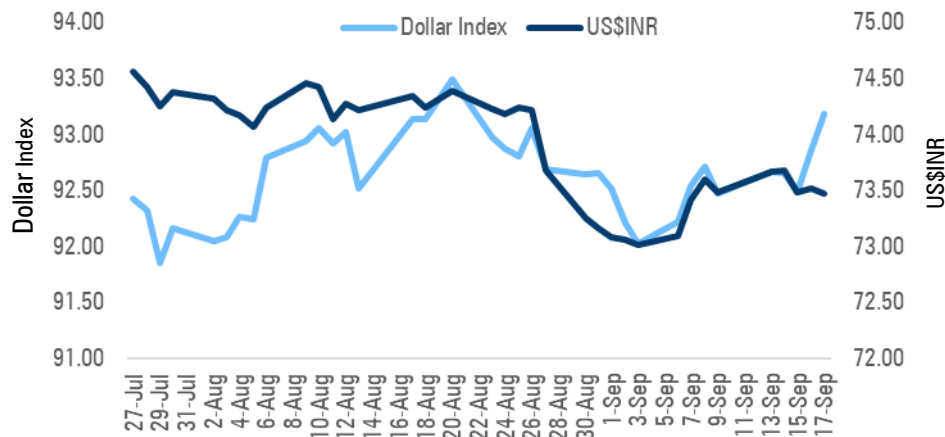
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (Sep)	73.58	-0.03%	1532310	3261	1435811	-360761
EURINR (Sep)	86.70	0.03%	97576	-6226	119369	-31374
GBPINR (Sep)	101.48	-0.28%	132617	6007	187377	-33803

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Sep)	73.41	73.49	73.56	73.65	73.72
US\$INR (Oct)	73.61	73.69	73.76	73.84	73.91
EURINR (Sep)	86.44	86.57	86.66	86.79	86.88
EURINR (Oct)	86.58	86.77	86.90	87.10	87.22
GBPINR (Sep)	101.23	101.35	101.50	101.63	101.78
GBPINR (Oct)	101.51	101.63	101.80	101.93	102.10

Dollar Index vs US\$INR



- US dollar increased 0.28% on Friday amid a surge in US treasury yields and risk aversion in the global markets. Further, market participants hope to get more clarity from the Fed regarding the schedule for tapering of asset purchases
- Rupee future maturing on September 28 appreciated by 0.03% in Friday's trading session on FII inflows into local shares. However, sharp gains were prevented on strong dollar and surge in crude oil prices
- The rupee is expected to depreciate on strong dollar and risk aversion in the global markets. Market sentiments were hurt on concerns over China market, potential US corporate tax hike and on fears that rising delta variant may derail global economic growth. Additionally, market participants will remain vigilant ahead of Fed policy meeting to look for indications when the bank will start tapering its stimulus

US\$INR Strategy

USDINR September futures contract (NSE)

Buy USDINR in the range of 73.55-73.57

Target: 73.85

Stop Loss: 73.40

Support: 73.40/73.35

Resistance: 73.75/73.85

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDINR	Sep futures	Buy	73.60	73.90	73.45	Not Initiated

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.

Major Currency Pairs

Currencies	Close	Pvs. Close	% Change
DXY	93.19	92.93	0.28%
US\$INR	73.48	73.52	-0.05%
EURUSD	1.1726	1.1765	-0.33%
EURINR	86.57	86.52	0.06%
GBPUSD	1.3738	1.3790	-0.38%
GBPINR	101.27	101.55	-0.27%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.167	6.169	-0.002
US	1.371	1.335	0.036
UK	0.756	0.727	0.029
Japan	0.050	0.045	0.005
Germany	-0.277	-0.300	0.023

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	11763.37	9923.90	1839.47
Debt	2981.15	2066.18	914.97
Net			2754.44

- UK retail sales declined 0.9% in August 2021 following 2.8% fall in July 2021
- US Prelim UoM consumer sentiment index improved to 71.0 in September 2021 from 70.3 in August 2021
- Euro depreciated by 0.33% on Friday amid strong dollar and risk aversion in the global markets. However, sharp downside was cushioned on upbeat economic data from Euro Area. Euro Area CPI data showed inflation accelerated by 3.0% in August 2021 up from 2.2% in July 2021
- Euro is expected to trade with a negative bias on strong dollar and expectation of disappointing economic data from Germany. German PPI is likely to increase by 0.8% in August 2021 compared to 1.9% in July 2021. Further, risk aversion in the global markets will hurt single currency. EURINR (September) is expected to trade in a range at 86.40-86.85
- The pound depreciated by 0.38% on Friday amid strong dollar and risk averse mood globally. Further, poor retail sales data added downside pressure to the pound. However, sharp downside was cushioned on expectations that BoE may tighten its monetary policy sooner than expected
- The pound is expected to trade with a negative bias on strong dollar and risk aversion in the global markets. Further, traders will remain cautious ahead of Bank of England monetary policy meeting scheduled on Thursday. Additionally, disappointing economic data from the country will hurt the pound. GBPINR (September) is expected to trade in a range at 101.20-101.65

Data	Country	Time	Actual	Expected	Previous	Impact
German PPI m/m	Europe	11:30am	-	0.8%	1.9%	Medium
NAHB Housing Market Index	US	7:30pm	-	74	75	Medium



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ANALYST CERTIFICATION

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