

September 21, 2021

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Sep futures	Buy	73.65	73.95	73.50	1 day

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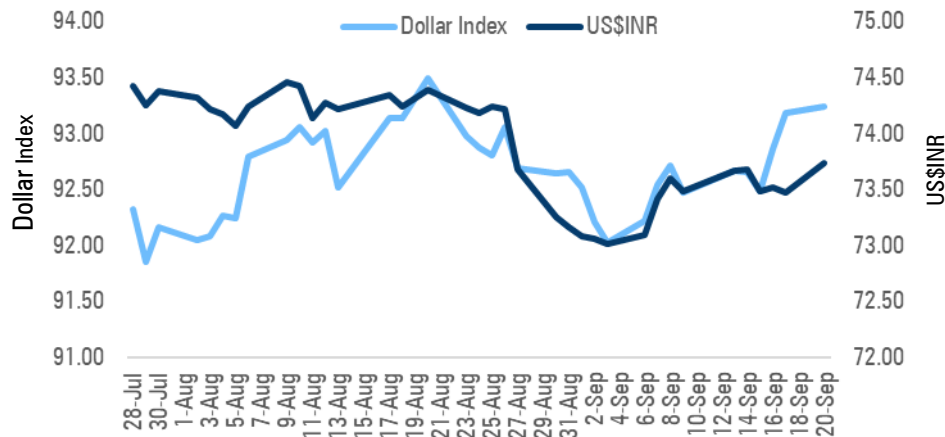
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (Sep)	73.73	0.21%	1490736	-41574	1965513	529702
EURINR (Sep)	86.38	-0.37%	113053	15477	127808	8439
GBPINR (Sep)	100.93	-0.54%	166681	34064	260051	72674

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Sep)	73.55	73.64	73.77	73.86	73.99
US\$INR (Oct)	73.76	73.85	73.97	74.06	74.19
EURINR (Sep)	86.18	86.28	86.44	86.54	86.70
EURINR (Oct)	86.47	86.57	86.72	86.81	86.96
GBPINR (Sep)	100.41	100.67	101.01	101.26	101.60
GBPINR (Oct)	100.72	100.98	101.31	101.56	101.89

Dollar Index vs US\$INR



- US dollar increased by 0.05% yesterday amid risk aversion in the global markets. Market sentiments were hurt on worries over consequences from China's Evergrande's solvency issues. Further, market participants remained vigilant ahead of Fed monetary policy meeting
- Rupee future maturing on September 28 depreciated by 0.21% in yesterday's trading session on strong dollar and weak stock indices. However, a sharp fall was prevented on FII inflows
- The rupee is expected to depreciate on strong dollar and risk aversion in the global markets. Market sentiments were hurt on worries about impact of potential default of China's Evergrande on economy. Additionally, market participants will remain vigilant ahead of Fed policy meeting to look for indications when bank will start tapering its stimulus. However, sharp fall may be prevented on softening crude oil prices and persistent FII inflows

US\$INR Strategy

USDINR September futures contract (NSE)

Buy USDINR in the range of 73.65-73.67

Target: 73.95

Stop Loss: 73.50

Support: 73.50/73.40

Resistance: 73.85/73.95

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDINR	Sep futures	Buy	73.55	73.85	73.40	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	93.24	93.19	0.05%
US\$INR	73.74	73.48	0.36%
EURUSD	1.1728	1.1726	0.02%
EURINR	86.36	86.57	-0.24%
GBPUSD	1.3658	1.3738	-0.58%
GBPINR	100.90	101.27	-0.37%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.138	6.167	-0.029
US	1.313	1.371	-0.058
UK	0.703	0.756	-0.053
Japan	0.050	0.050	0
Germany	-0.318	-0.277	-0.041

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	26752.30	24956.52	1795.78
Debt	478.73	410.48	68.25
Net			1864.03

- German PPI increase by 1.5% in August 2021 compared to 1.9% in July 2021
- US NAHB Housing market index rose to 76 in September 2021 from 75 in August 2021
- Euro appreciated marginally by 0.02% yesterday amid better-than-expected economic data from Euro Area. However, sharp upside was capped on strong dollar and risk aversion in the global markets
- Euro is expected to trade with negative bias on strong dollar and risk aversion in the global markets. Market sentiments were hurt on worries that China's Evergrande a property giant could default on its massive debt. Regulators have warned that its \$305 billion of liabilities could spark broader risks to China's financial system if debts are not stabilized. Further, market participants will remain vigilant ahead of Fed policy meeting to look for indication when bank will start tapering its stimulus. EURINR (September) is expected to trade in a range of 86.30-86.80
- The pound depreciated by 0.58% yesterday amid strong dollar and risk averse mood globally. Further, poor economic data from country continued to add downside pressure on pound. Furthermore, market participants remained cautious ahead of BoE monetary policy meeting
- The pound is expected to trade with negative bias on strong dollar and risk aversion in the global markets. Further, market will remain cautious ahead of outcome of Bank of England monetary policy meeting scheduled on Thursday. Additionally, expectation of disappointing economic data from country will hurt pound. GBPINR (September) expected to trade in a range of 100.60-101.20

Data	Country	Time	Actual	Expected	Previous	Impact
Building Permits	US	6:00pm	-	1.60M	1.63M	Medium
Housing Starts	US	6:00pm	-	1.55M	1.53M	Medium



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ANALYST CERTIFICATION

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