

September 30, 2021

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Oct Fut	Buy	74.35	74.60	74.20	1 day

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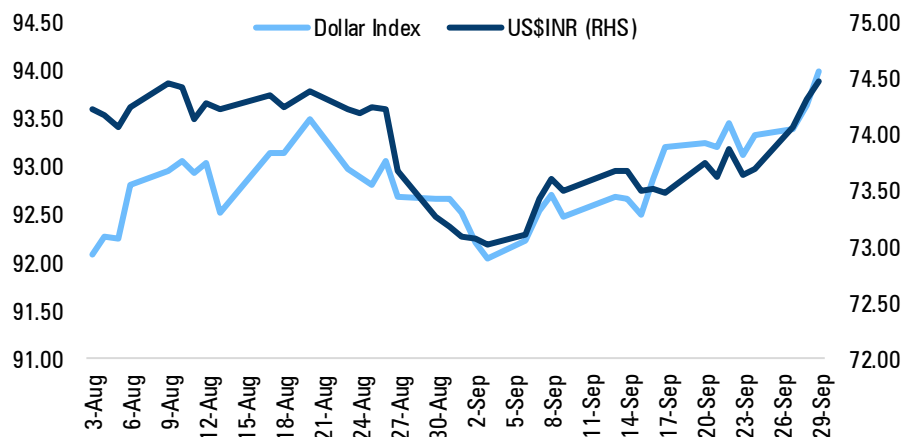
Currency Futures

Futures	LTP	% Change	Open Interest	% Change in OI	Volume	% Change in Vol
USDINR 27OCT2021	74.47	0.19	1753074	3.01	2585446	-17.24
EURINR 27OCT2021	86.78	-0.12	92151	6.60	178001	-25.06
GBPINR 27OCT2021	100.42	-0.72	186999	69.21	349243	2.92

Pivot Levels

Futures	S2	S1	Pivot	R1	R2
USDINR 27OCT2021	74.22	74.35	74.41	74.54	74.60
USDINR 26NOV2021	74.48	74.60	74.66	74.77	74.83
EURINR 27OCT2021	86.56	86.67	86.83	86.94	87.11
EURINR 26NOV2021	86.88	86.98	87.14	87.24	87.40
GBPINR 27OCT2021	100.05	100.24	100.54	100.72	101.03
GBPINR 26NOV2021	100.39	100.56	100.86	101.04	101.34

Dollar Index vs US\$INR



- Rupee future maturing on October 27 depreciated by 0.17% in Wednesday's trading session on an uptick in the dollar index and correction in domestic equities
- The dollar index was flying high on Wednesday and hit a 2021 peak against rival currencies even though arguing in Washington over the US debt ceiling threatened to plunge the government into a shutdown
- US Senate Republicans blocked a bid by President Joe Biden's Democrats to head off a potentially crippling US credit default, with federal funding due to expire on Thursday and borrowing authority on around October 18
- The rupee is expected to depreciate further on strength in the dollar index along with higher crude prices, which are likely to put further pressure on the rupee

US\$INR Strategy

USDINR October futures contract (NSE)

Buy USDINR in the range of 74.34-74.36

Target: 74.60

Stop Loss: 74.20

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDINR	Oct Fut	Buy	74.19	74.60	73.94	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 Pairs

Currency Pair	Close	Change	% Change
USD/INR	74.24	0.05	0.07
EUR/USD	1.16	0.00	-0.29
EUR/INR	86.47	-0.19	-0.22
GBP/USD	1.35	-0.01	-0.40
GBP/INR	100.08	-0.33	-0.33

Global Bonds

10 Year Bond Yields	Close	Change	% Change
India	6.21	-0.02	-0.34
US	1.51	-0.03	-1.60
UK	0.98	-0.02	-2.40
Japan	0.07	0.00	0.00
Germany	-0.22	-0.02	-11.31

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net ₹ Crores
Equity	8805	10683	-1877
Debt	1906	1853	53
Net			-1824

- The euro was among currencies to lose ground, falling 0.2% to an 11-month low of \$1.16565. Currency traders are watching closely for clues as to when governments and central banks worldwide will reverse massive emergency support launched to fight the pandemic last year
- European Central Bank (ECB) President Christine Lagarde, Fed Chair Jerome Powell, Bank of England Governor Andrew Bailey and Bank of Japan Governor Haruhiko Kuroda are panelists at an ECB forum in Sintra, Portugal
- Euro is expected to trade with a mixed bias as a stronger dollar is likely to keep pressure on the single currency while investors are also looking ahead to ECB president Lagarde speech to get cues on future monetary stance. EURINR (October) is expected to trade in a range of 86.60-87.00 levels for the day
- Sterling hit its lowest levels since January against the dollar on Wednesday as concerns about soaring natural gas prices and almost a week of petrol shortages outweighed a recovery in global equity markets
- A key gauge of the financial market's expectations for inflation in Britain over the coming years, watched closely by the Bank of England, rose to its highest level in at least eight years, as gilt yields surged
- The pound is expected to trade with a negative bias amid a stronger dollar and persistence of economic worries in the UK. GBPINR (October) is expected to fall further towards 100.00 level for the day

Economic Calendar

Data	Currency	Time (IST)	Actual	Expected	Previous
Industrial Production (MoM) (Aug)	JPY	5:20 AM	-	-0.5%	-1.5%
Retail Sales (YoY) (Aug)	JPY	5:20 AM	-	-1.0%	2.4%
Current Account (Q2)	GBP	11:30 AM	-	-15.6B	-12.8B
GDP (YoY) (Q2)	GBP	11:30 AM	-	22.2%	22.2%
GDP (QoQ) (Q2)	GBP	11:30 AM	-	4.8%	4.8%
Nationwide HPI (YoY) (Sep)	GBP	11:30 AM	-	10.7%	11.0%
Nationwide HPI (MoM) (Sep)	GBP	11:30 AM	-	0.6%	2.1%
Unemployment Rate (Aug)	EUR	2:30 PM	-	7.5%	7.6%
RBI Monetary and Credit Information Review	INR	5:00 PM	-	-	-
GDP (QoQ) (Q2)	USD	6:00 PM	-	6.6%	6.6%
GDP Price Index (QoQ) (Q2)	USD	6:00 PM	-	6.1%	6.2%
Initial Jobless Claims	USD	6:00 PM	-	335K	351K
Chicago PMI (Sep)	USD	7:15 PM	-	65	66.8



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ANALYST CERTIFICATION

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