

November 10, 2021

Daily Currency Outlook

Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Nov futures	Buy	74.25	74.55	74.10	1 day

Research Analysts

Raj Deepak Singh
rajdeepak.singh@icicisecurities.com

Mohit Agarwal
mohit.agarwal@icicisecurities.com

Saif Mukadam
saif.mukadam@icicisecurities.com

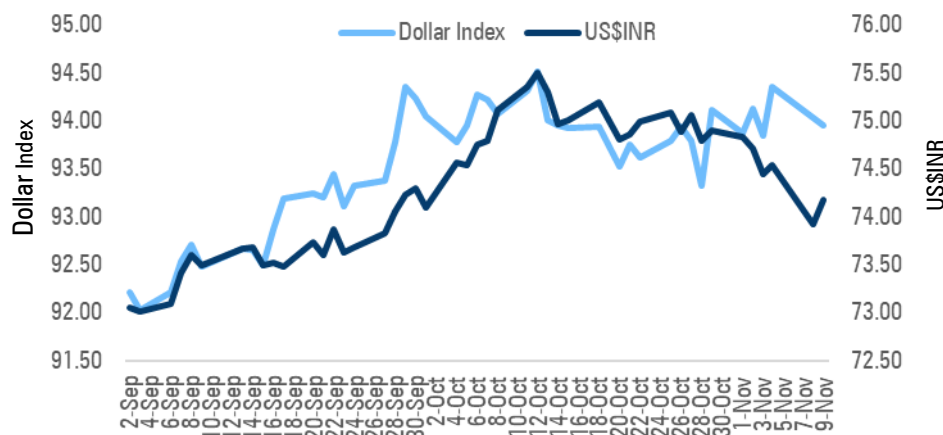
Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (Nov)	74.20	-0.06%	2269081	-46114	2262546	26889
EURINR (Nov)	86.07	0.14%	89957	4757	116716	-567
GBPINR (Nov)	100.87	0.61%	216873	-25704	254910	46494

Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	73.90	74.05	74.15	74.30	74.40
US\$INR (Dec)	74.15	74.30	74.40	74.54	74.64
EURINR (Nov)	85.58	85.83	85.99	86.24	86.40
EURINR (Dec)	85.98	86.19	86.34	86.55	86.69
GBPINR (Nov)	100.19	100.53	100.75	101.09	101.31
GBPINR (Dec)	100.58	100.90	101.11	101.43	101.64

Dollar Index vs US\$INR



- US dollar declined 0.09% yesterday as investors remained cautious ahead of US inflation data to see whether rising price pressure are accelerating. Further, US Fed officials said they are not clear that high inflation will become more embedded than previously expected. However, sharp downside was cushioned as US producer prices increased solidly in October
- Rupee future maturing on November 26 appreciated by 0.06% yesterday on weakness in dollar. However, further gains were prevented on muted domestic markets and surge in crude oil prices
- The rupee is expected to depreciate today on the back of a surge in crude oil prices and risk aversion in global markets. Further, investors will remain vigilant ahead of US CPI data to gauge whether rising price pressure are accelerating. However, a sharp fall may be prevented on IPO related inflows

US\$INR Strategy

US\$INR November futures contract (NSE)

Buy US\$INR in the range of 74.23-74.25

Target: 74.55

Stop Loss: 74.10

Support: 74.15/74.10

Resistance: 74.45/74.55

Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
GBPINR	Nov futures	Buy	100.30	100.65	100.10	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	93.95	94.03	-0.09%
US\$INR	74.04	74.02	0.02%
EURUSD	1.1595	1.1588	0.06%
EURINR	85.82	85.55	0.32%
GBPUSD	1.3560	1.3563	-0.02%
GBPINR	100.61	99.77	0.84%

Global Bonds

Country	Close	Pvs. Close	Change
India	6.293	6.301	-0.008
US	1.441	1.492	-0.051
UK	0.826	0.858	-0.032
Japan	0.066	0.061	0.005
Germany	-0.296	-0.242	-0.054

Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	12483.20	13527.65	-1044.45
Debt	156.08	1108.67	-952.59
Net			-1997.04

- Euro appreciated by 0.06% yesterday majorly on the back of weakness in dollar and better than expected economic data from Euro Area. German ZEW Economic sentiment index showed investors sentiment rose unexpectedly on anticipations that price pressure will ease next year and growth will pick up in Europe's largest economy
- German ZEW Economic Sentiment index increased to 31.7 in November 2021 from 22.3 in October 2021 and Euro Area ZEW Economic sentiment index rose to 25.9 in November 2021 from 21.0 in October 2021
- Euro is expected to trade with negative bias on divergence in monetary policy and risk aversion in the global markets. Additionally, Investors will remain vigilant ahead of US CPI data after US produce price index data showed high inflation could persist for a while amid tight supply chains. However, sharp downside may be cushioned on expectation of improved economic data from Euro Area. EURINR (November) is expected to trade in a range of 85.90-86.30
- Pound depreciated by 0.02% yesterday on risk aversion in the global markets and as rate hike expectations faded after BOE surprised market by leaving interest rates unchanged. According to NIESR UK economy risks lack of progress and sticky inflation over coming years due to supply chain bottleneck and headwinds from Brexit
- Pound is expected to trade with negative bias on risk aversion in the global markets. Further, fading rate hike expectations will weigh on pound. Additionally, worries over post-Brexit quarrel with EU over Northern Ireland trading arrangements and spat with France will hurt currency. GBPINR (November) is expected to trade in a range of 100.50-101.10

Data	Country	Time	Actual	Expected	Previous	Impact
CPI m/m	US	7:00PM	-	0.60%	0.40%	High
Core CPI m/m	US	7:00PM	-	0.40%	0.20%	High
Unemployment Claims	US	7:00PM	-	257K	269K	Medium
Crude Oil Inventories	US	9:00PM	-	1.6M	3.3M	Medium



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
1st Floor, Akruti Trade Centre,
Road No 7, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

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