

November 24, 2021

# Daily Currency Outlook

## Daily Recommendation

Currency Pair	Contract	Action	Price	Target	Stoploss	Duration
USDINR	Nov futures	Buy	74.40	74.70	74.25	1 day

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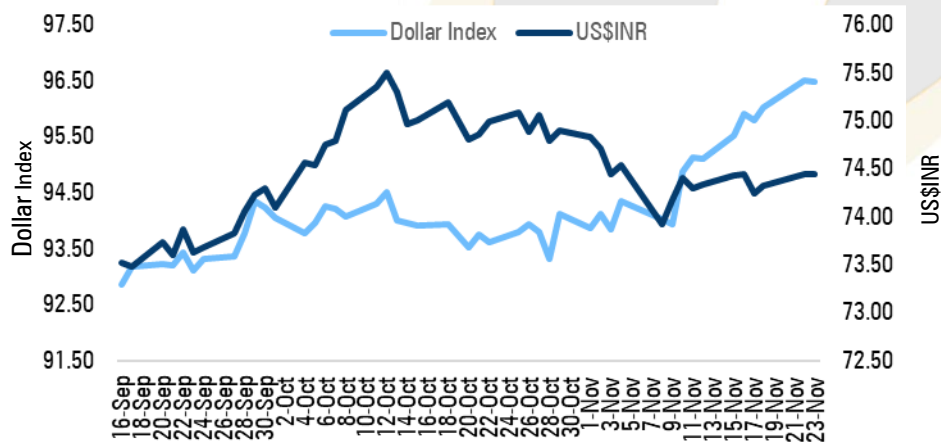
## Domestic Currencies

Futures	Close	% Change	Open Interest	Change in OI	Volume	Change in Vol
USDINR (Nov)	74.48	0.07%	1638639	-99892	1945865	33143
EURINR (Nov)	83.86	-0.48%	109604	-7254	151653	30096
GBPINR (Nov)	99.59	-0.48%	198426	11444	186966	-6929

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Nov)	74.29	74.39	74.50	74.60	74.72
US\$INR (Dec)	74.54	74.63	74.75	74.84	74.95
EURINR (Nov)	83.59	83.73	83.86	84.00	84.13
EURINR (Dec)	84.01	84.12	84.22	84.32	84.43
GBPINR (Nov)	99.24	99.41	99.70	99.88	100.17
GBPINR (Dec)	99.64	99.80	100.08	100.25	100.53

## Dollar Index vs US\$INR



- The US dollar declined 0.06% yesterday amid a rise in US stock markets and mixed batch of economic data. US Composite PMI fell to 56.5 in November 2021 from 57.6 in October 2021. However, sharp downside was cushioned as US Federal Reserve Chairman Powell's nomination for a second term signalled continuity in policy
- Rupee future maturing on November 26 depreciated by 0.07% yesterday on strong dollar and persistent FII outflows. However, a sharp fall was prevented on softening of crude oil prices and rise in risk appetite in domestic markets
- The rupee is expected to depreciate on firm dollar, consistent FII outflows and bounce back in crude oil prices. Further, investors will remain vigilant ahead of major economic data from US to gauge the health of economy. However, a sharp fall may be prevented on rise in risk appetite in the domestic markets

## US\$INR Strategy

### US\$INR November futures contract (NSE)

Buy USDINR in the range of 74.38-74.40

Target: 74.70

Stop Loss: 74.25

Support: 74.25/74.15

Resistance: 74.60/74.70

## Follow-up

Currency Pair	Contract	Action	Price	Target	Stoploss	Comment
USDINR	Nov futures	Buy	74.45	74.75	74.30	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	96.49	96.55	-0.06%
USSINR	74.44	74.43	0.01%
EURUSD	1.1245	1.1234	0.10%
EURINR	83.71	83.67	0.05%
GBPUSD	1.3376	1.3398	-0.16%
GBPINR	99.57	99.71	-0.14%

## Global Bonds

Country	Close	Pvs. Close	Change
India	6.364	6.351	0.013
US	1.676	1.632	0.044
UK	1.000	0.934	0.066
Japan	0.074	0.074	0
Germany	-0.219	-0.299	0.08

## Daily Trends in FPI Investment

Segment	Purchase	Sell	Net Rs Crore
Equity	11649.73	13759.46	-2109.73
Debt	520.1	631.18	-111.08
Net			-2220.81

- Euro appreciated by 0.1% yesterday amid weakness in dollar and better than expected economic data's from Euro Zone. Euro Zone business activity growth accelerated in November 2021. However, sharp upside was capped as concerns grew over new COVID-19 restrictions in Europe as Austria entered full lockdown and Germany considering strict restrictions
- Euro is expected to trade with negative bias amid firm dollar, divergence in monetary policy and expectation of disappointing economic data from euro area. German ifo business climate index is likely to fall in November 2021. Additionally, investors will remain vigilant ahead of major economic data's from US. US core PCE price index is forecasted to show that inflation remained elevated, which will spark the expectation for early rate hike in US. Further, euro may slip on worries that resurgent of COVID-19 cases in Europe will have adverse impact on economic recovery as it pushed several countries in Europe to implement restrictions to curb the spread. EURINR(Nov) expected to trade in a range of 83.50-84.00
- Pound depreciated by 0.14% yesterday on ongoing worries over post Brexit trade deal and concern over rising COVID-19 cases in the country. However, sharp downside was cushioned on better than expected economic data. Further, persistent business growth, higher inflation and improved job data boosted expectations of rate hike in December
- Pound is expected to trade with negative bias on firm dollar and fear over trade disruption with European Union. However, sharp downside may be cushioned as improved economic data from Britain signaled that economy is gaining momentum. Further, market expects Bank of England to raise interest rates next month to address stubbornly high inflation. GBPINR(Nov) expected to trade in a range of 99.50-100.0

Data	Country	Time	Actual	Expected	Previous	Impact
German ifo Business Climate	Europe	2:30PM	-	96.8	97.7	Medium
Prelim GDP q/q	US	7:00PM	-	2.20%	2.00%	High
Durable Goods Orders m/m	US	7:00PM	-	0.20%	-0.30%	Medium
Unemployment Claims	US	7:00PM	-	259K	268K	Medium
Core PCE Price Index m/m	US	8:30PM	-	0.40%	0.20%	High
New Home Sales	US	8:30PM	-	801K	800K	Medium
Crude Oil Inventories	US	9:00PM	-	(1.7M)	(2.1M)	Medium



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## ANALYST CERTIFICATION

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