

**Treasury yields**

	Closing yield%	Previous yield %
India 10 year	6.94	6.93
US 10 year	2.33	2.31
Eur 10 year	0.33	0.33
UK 10 year	1.23	1.23
JPY 10 year	0.03	0.03

**RBI reference rate**

	Close		% change
	11/7/2017	11/6/2017	
US\$INR	65.06	64.81	0.39
EUR-INR	75.38	75.23	0.21
GBP-INR	85.57	85.34	0.28
JPY-INR	57.12	56.85	0.47

**Spot**

Spot	Close	Prev close	% change
Rupee	64.96	65.03	-0.11
Dollar index	94.87	94.91	-0.05
Euro	1.1595	1.1587	0.07
British pound	1.3116	1.3166	-0.38
Japanese Yen	113.87	114.01	-0.12
Australian (\$)	0.7678	0.7645	0.43
Swiss Franc	1.0001	0.9998	0.03

**Currency futures (US\$, ₹, NSE)**

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
November	65.11	-0.14	948036	1533974	2.74	12.21
December	65.36	-0.09	229288	86965	1.81	-38.68
Nov-Dec	-0.25	-	-	1447009	-	94.33
Dec-Jan	-0.24	-	-	79058	-	90.91

**Global Indices**

Indices	Close	Prev close	% change
Dow Jones	23563.36	23557.23	0.03
Nasdaq	6345.811	6320.777	0.40
FTSE	7529.72	7513.11	0.22
DAX	13382.42	13379.27	0.02
Hang Sang	29121.44	28907.6	0.74
Nikkei	23368.16	22913.82	1.98
SGX Nifty	10383.5	10359	0.24

\* Asian market as at 08.00 am

**Commodities**

	Close	Prev close	% change
Gold	1281.36	1275.3	0.48
Copper	309.95	308.9	0.34
Brent crude	63.49	63.69	-0.31

Source: Reuters, Bloomberg, Cdsl for above all exhibits

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**Debt market**

- Government bonds slumped for a third straight day, with the benchmark note touching a new low since its issuance. Domestic bonds markets remain spooked on rising crude oil prices
- The Gov benchmark 6.79% 2027 bond yield rose to 6.94% from 6.93% in the previous session
- Yield on the US 10-year benchmark bond yield rose to 2.33% from 2.31% in the previous session

**Forex (US\$/INR)**

- The rupee rose for the first time in three days against the US\$, as long liquidation as well as likely equity-related inflows offset all initial losses stemming from weak sentiment amid higher crude oil prices
- The US\$ fell mildly against major currencies as gains over GBP were offset by losses against JPY. Forex markets remained on the edge as the US President is currently on an Asia tour with traders awaiting any outcome over North Korea. Tax reform progress has been stuttering supporting other currencies over US\$. JPY also remained in focus as any deal with North Korea could lead to losses in safe haven currency

**Equity**

- Equity benchmarks settled lower for a second session in a row tracking subdued global cues
- The Sensex, Nifty shed 0.45% each. Broader markets witnessed extended profit booking spell as the BSE midcap, small cap indices fell 0.77% and 0.96%, respectively

**Commodities Market**

- Gold recouped some of its previous losses as the US\$ continued to see mild profit booking. Stuttering progress on tax reform is supporting bullion prospects as rate hike sentiments take a backseat
- Crude oil extended profit booking from its previous sharp surge as US crude output increased to its highest in more than three decades. Output climbed to 9.62 mb while inventories rose by 2.24 mb

**Strategy**

- In the currency futures market, the near month dollar-rupee November contract on the NSE ended at 65.11. The November contract open interest increased 2.74% from the previous day
- December contract open interest rose 1.81% in the previous session
- We expect the US\$ to meet supply pressure at higher levels. Utilise upside in the pair to go short on the US\$INR

**Intra-day strategy**

US\$INR November futures contract (NSE)	View: Bearish on US\$INR
Buy US\$INR in the range of 65.20 - 65.30	Market Lot: US\$1000
Target: 65.00 / 64.95	Stop Loss: 65.40
Support	Resistance
S1/ S2: 65.00 / 64.90	R 1/R 2: 65.35 / 65.55

Source: Company, ICICIdirect.com Research

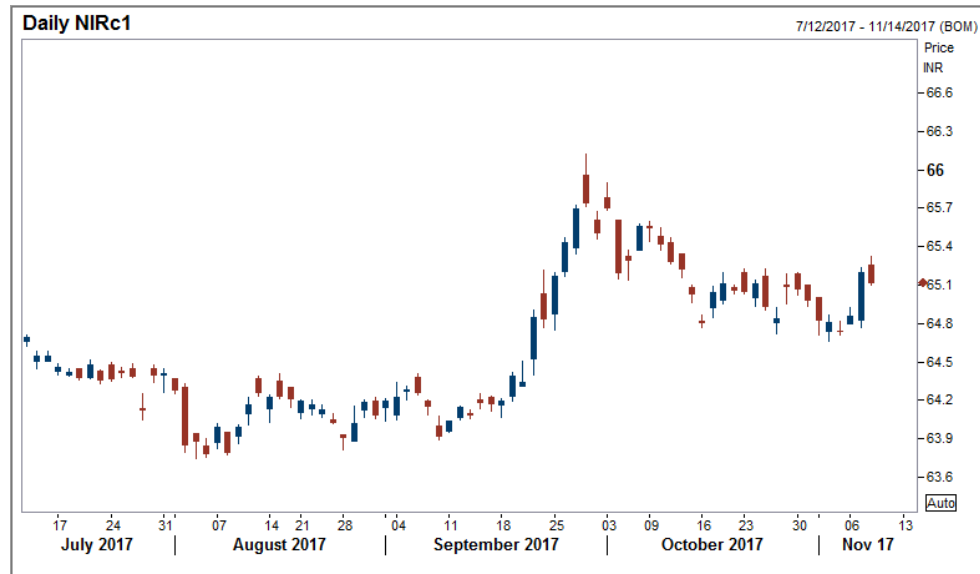
\*Call initiation and update messages will be broadcast on iclick-2-gain"

### FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹crore)
Equity	5652.99	4974.19	678.80
Debt	1046.32	1412.78	-366.46

Source: SEBI, CDSL

### Exhibit 1: US\$ INR Currency Future (NSE)



Source: Reuters, ICICIdirect.com Research

### Exhibit 2: Pivot Levels (NSE)

Futures	Pivot	S1	S2	R1	R2
US\$ - INR (November)	65.18	65.04	64.95	65.27	65.41
US\$ - INR (December)	65.41	65.26	65.17	65.49	65.64
EUR - INR (November)	75.68	75.53	75.42	75.79	75.94
EUR - INR (December)	76.04	75.90	75.79	76.15	76.29
GBP - INR (November)	85.69	85.32	85.10	85.91	86.28
GBP - INR (December)	86.04	85.69	85.48	86.25	86.60
JPY - INR (November)	57.35	57.26	57.16	57.45	57.54
JPY - INR (December)	57.62	57.53	57.43	57.71	57.80

Source: NSE, ICICIdirect.com Research

### Exhibit 3: Strategy follow up

Date	Contract	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
8-Nov-17	November USD/INR	Buy	Buy future	65.16	65.45	65.00	0	Not initiated

(\*Returns are calculated on one lot only)

**Exhibit 4: Contract Specification (NSE)**

Underlying	Rate of exchange between one USD and INR
Trading Hours (Monday to Friday)	09:00 a.m. to 05:00 p.m.
Contract Size	USD 1000
Tick Size	0.25 paise or INR 0.0025
Trading Period	Maximum expiration period of 12 months
Contract Months	12 near calendar months
Final Settlement date/ Value date	Last working day of the month (subject to holiday calendars)
Last Trading Day	Two working days prior to Final Settlement Date
Settlement	Cash settled
Final Settlement Price	The reference rate fixed by RBI two days prior to the final settlement date will be used for final settlement

Source: NSE, ICICIdirect.com Research

**NOTES:**

- The Sell below / above price is a key technical level, which decides the trend for the day
- Initiate the trade within +/- 0.03—0.04 margin from the recommended level
- A return opportunity of about 0.09 paise is considered for partial profit booking post initiation of the trade
- Once the Call is initiated, an appropriate Stop Loss trigger should be put for the trade
- Once into position, put trailing stops to preserve your profits
- Be careful if the counter achieves the target immediately after opening
- The strategies are valid only for the date mentioned at the top
- Positions should be squared off by the end of the day
- The strategies are based on intra-day volatility, suggesting a two-way approach intra-day
- Medium to long-term prospects do not have any bearing on the daily view

**MOST IMP:** The follow-up and performance review table of the strategies indicates the profit opportunity that was available in the strategies. Individual profits may vary, depending upon the entry and exit price and stop losses



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