

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.89	7.05
US 10 year	2.37	2.34
Eur 10 year	0.36	0.36
UK 10 year	1.29	1.29
JPY 10 year	0.04	0.04

RBI reference rate

	Close		% change
	11/20/2017	11/17/2017	
US\$INR	65.06	64.85	0.32
EUR-INR	76.36	76.56	-0.25
GBP-INR	85.93	85.79	0.17
JPY-INR	58.08	57.59	0.85

Spot

	Close	Prev close	% change
Rupee	65.10	65.02	0.12
Dollar index	94.08	93.66	0.45
Euro	1.1733	1.179	-0.48
British pound	1.3235	1.3215	0.15
Japanese Yen	112.62	112.1	0.46
Australian (\$)	0.755	0.7564	-0.19
Swiss Franc	0.9934	0.9891	0.43

Currency futures (US\$, ₹, NSE)

Contracts	LTP	chng (%)	OI	Vol	chng (%)	Vol
November	65.16	0.12	1005687	1179829	-7.07	-43.72
December	65.38	0.12	380822	83681	4.64	-65.08
Nov-Dec	-0.22	-	-	1096148	-	92.91
Dec-Jan	-0.24	-	-	70901	-	84.73

Global Indices

Indices	Close	Prev close	% change
Dow Jones	23430.33	23358.24	0.31
Nasdaq	6308.608	6314.51	-0.09
FTSE	7389.46	7380.68	0.12
DAX	13058.66	12993.73	0.50
Hang Sang	29534.2	29260.31	0.94
Nikkei	22488.38	22261.76	1.02
SGX Nifty	10351	10315	0.35

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1276.92	1292.42	-1.20
Copper	309.3	306.7	0.85
Brent crude	62.22	62.72	-0.80

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds surged, with the benchmark yield posting its biggest single-session fall in more than a year, after the Reserve Bank of India cancelled an open market sale of debt scheduled for this week
- The GoI benchmark 6.79% 2027 bond yield declined to 6.89% from 7.05% in the previous session
- Yield on the US 10-year benchmark bond yield increased to 2.37% from 2.34% in the previous session

Forex (US\$/INR)

- The rupee ended lower in a lacklustre session vs. the US\$ on importer's greenback demand, even as traders awaited further trading cues
- The US\$ recovered some of its losses as Euro as well as JPY fell against US\$. Failure of German coalition talks to form a government led by Chancellor Angela Merkel is weighing on the single currency. JPY continued to trade in a range as a US rate hike possibility remains intact ahead of the Fed's FOMC monetary policy meeting

Equity

- Equity benchmarks eked out marginal gains (+0.2%) as a retreat in US stocks on Friday and weakness in Euro after failure of German coalition talks weighed on sentiments. The index extended its winning streak for a third session in a row on a low volume day while broader markets remained buoyant resulting in a strong market breadth on Monday
- The Nifty midcap and small cap indices gained over 0.7% each. Sectorally, realty (>2%) and metal (>1%) led the gains while pharma and IT stocks weighed down. PSU banks witnessed marginal profit booking after recent outperformance

Commodities Market

- Gold witnessed mild profit booking as the US\$ as well as treasury yields rose. The recent political turmoil in Germany is mildly gold supportive ahead of Fed December Monetary policy meeting
- Oil prices witnessed mild profit booking, as traders remained cautious at higher levels ahead of key Opec November meeting. Saudi Arabia led Opec is expected to take a decision on extending the supply curb accord further

Strategy

- In the currency futures market, the near month dollar-rupee November contract on the NSE ended at 65.16. The November contract open interest declined 7.07% from the previous day
- December contract open interest rose 4.64% in the previous session
- We expect the US\$ to find supports at lower levels. Utilise the downside in the pair to go long on the US\$INR

Intra-day strategy

US\$INR November futures contract (NSE)	View: Bullish on US\$INR
Buy US\$INR in the range of 65.03 - 65.13	Market Lot: US\$1000
Target: 65.35 / 65.40	Stop Loss: 64.93
Support	Resistance
S1/ S2: 65.00 / 64.80	R 1/R2: 65.30 / 65.50

Source: Company, ICICIdirect.com Research

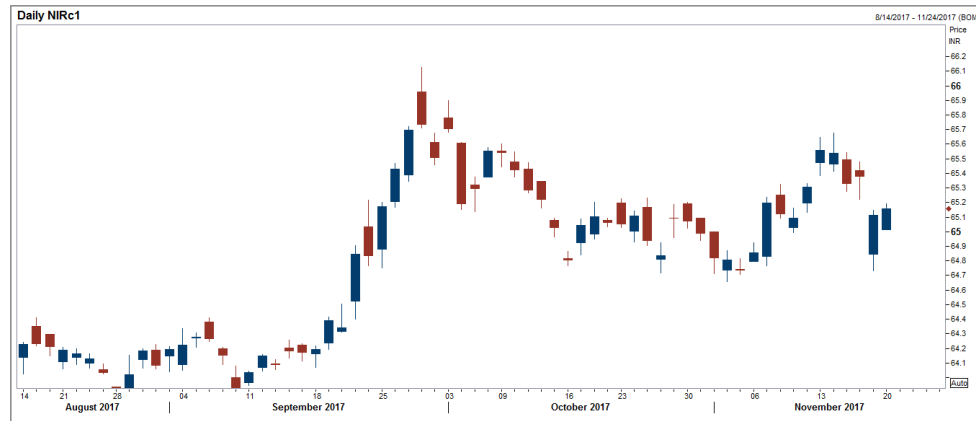
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹crore)
Equity	6832.46	5396.08	1436.38
Debt	2345.92	2428.82	-82.90

Source: SEBI, CDSL

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



Source: Reuters, ICICIdirect.com Research

Exhibit 2: Pivot Levels (NSE)

Futures	Pivot	S 1	S 2	R 1	R 2
US\$ - INR (November)	65.12	65.05	64.94	65.23	65.30
US\$ - INR (December)	65.35	65.28	65.19	65.44	65.51
EUR - INR (November)	76.66	76.47	76.15	76.98	77.16
EUR - INR (December)	77.04	76.86	76.54	77.36	77.54
GBP - INR (November)	86.21	85.97	85.63	86.55	86.79
GBP - INR (December)	86.57	86.35	86.03	86.89	87.12
JPY - INR (November)	58.08	57.97	57.85	58.20	58.30
JPY - INR (December)	58.35	58.26	58.14	58.47	58.57

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
20-Nov-17	November	Buy	Buy future	65.05	65.40	64.90	70	Exit in profit

(*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 paisa 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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