

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.90	6.89
US 10 year	2.36	2.37
Eur 10 year	0.35	0.36
UK 10 year	1.27	1.29
JPY 10 year	0.03	0.04

RBI reference rate

	Close		% change
	11/21/2017	11/20/2017	
US\$INR	65.04	65.06	-0.03
EUR-INR	76.39	76.36	0.03
GBP-INR	86.19	85.93	0.30
JPY-INR	57.82	58.08	-0.45

Spot

Spot	Close	Prev close	% change
Rupee	64.89	65.10	-0.31
Dollar index	93.95	94.08	-0.14
Euro	1.1738	1.1733	0.04
British pound	1.3239	1.3235	0.03
Japanese Yen	112.45	112.62	-0.15
Australian (\$)	0.7578	0.755	0.37
Swiss Franc	0.9914	0.9934	-0.20

Currency futures (US\$, ₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
November	64.93	-0.35	924867	1195718	-8.04	1.35
December	65.16	-0.34	403593	120008	5.98	43.41
Nov-Dec	-0.23	-	-	1075710	-	89.96
Dec-Jan	-0.23	-	-	107798	-	89.83

Global Indices

Indices	Close	Prev close	% change
Dow Jones	23590.83	23430.33	0.69
Nasdaq	6378.628	6308.608	1.11
FTSE	7411.34	7389.46	0.30
DAX	13167.54	13058.66	0.83
Hang Sang	30103.88	29818.07	0.96
Nikkei	22590.27	22416.48	0.78
SGX Nifty	10384	10356.5	0.27

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1280.61	1276.92	0.29
Copper	312.85	309.3	1.15
Brent crude	62.57	62.22	0.56

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds fell after sharp gains yesterday, as investors sold notes in the absence of fresh triggers
- The Gov benchmark 6.79% 2027 bond yield rose mildly to 6.90% from 6.89% in the previous session
- Yield on the US 10-year benchmark bond declined to 2.36% from 2.37% in the previous session

Forex (US\$/INR)

- The rupee rose to a more-than-two-week high against the US\$, as a decline in benchmark yields and mild gains in domestic equities supported the rupee
- The US\$ fell against the JPY as the US Fed chair warned against tightening too quickly, which could risk the Fed's stated target of achieving 2% inflation. Political turmoil in Germany continued to weigh on a common currency. The market is awaiting the Fed's December monetary policy wherein a rate hike is expected. Also, traders are awaiting the Fed's outlook for cues on further pace of rate hikes

Equity

- Equity benchmarks extended gains for a fourth session in a row on Tuesday, helped by positive Asian cues and buoyancy in pharma stocks following fresh USFDA clearances
- The Nifty midcap and small cap indices gained ~0.2% each as advances outpaced declines marginally. Sectorally, pharma outperformed (+2%) while gains in recently run up real estate, PSU banks and metal stocks were capped due to profit booking

Commodities Market

- Gold gained slightly as a political disruption in Germany supported safe haven buying in gold. Overall, though gold remains largely ranged ahead of US FOMC meeting
- Oil prices recovered slightly ahead of US weekly crude oil inventories. API data showed US oil inventories declined by 6.36 mb while government data is expected to show a lower decline of 2.2 mb

Strategy

- In the currency futures market, the near month dollar-rupee November contract on the NSE ended at 64.93. The November contract open interest declined 8.04% from the previous day
- December contract open interest increased 5.98% in the previous session
- We expect the US\$ to meet resistance at higher levels. Utilise the upside in the pair to go short on the US\$INR

Intra-day strategy

US\$INR November futures contract (NSE)

Sell US\$INR in the range of 64.95 - 65.05
Target: 64.75 / 64.65
Support
S1/ S2: 64.90 / 64.70

View: Bearish on US\$INR

Market Lot: US\$1000
Stop Loss: 65.15
Resistance
R 1/R 2: 65.20 / 65.40

Source: Company, ICICIdirect.com Research

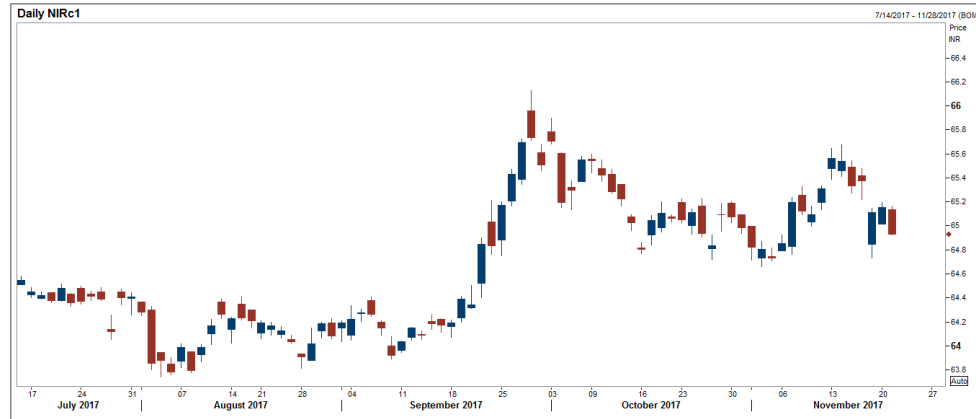
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹crore)
Equity	4760.51	4977.81	-217.30
Debt	2151.06	1171.22	979.84

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)	65.01	64.86	64.78	65.10	65.25
US\$ - INR (December)	65.23	65.08	65.00	65.32	65.47
EUR - INR (November)	76.27	76.04	75.90	76.41	76.64
EUR - INR (December)	76.65	76.41	76.27	76.79	77.03
GBP - INR (November)	86.03	85.74	85.54	86.23	86.51
GBP - INR (December)	86.38	86.10	85.90	86.58	86.86
JPY - INR (November)	57.81	57.61	57.51	57.91	58.10
JPY - INR (December)	58.05	57.92	57.84	58.13	58.26

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
21-Nov-17	November	Buy	Buy future	65.08	65.40	64.93	-120	Exit in loss

(*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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