

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.96	6.90
US 10 year	2.32	2.36
Eur 10 year	0.35	0.35
UK 10 year	1.28	1.27
JPY 10 year	0.03	0.03

RBI reference rate

	Close		% change
	11/22/2017	11/21/2017	
US\$INR	64.75	65.04	-0.45
EUR-INR	76.08	76.39	-0.41
GBP-INR	85.85	86.19	-0.39
JPY-INR	57.75	57.82	-0.12

Spot

Spot	Close	Prev close	% change
Rupee	64.93	64.89	0.05
Dollar index	93.22	93.95	-0.78
Euro	1.1822	1.1738	0.72
British pound	1.3325	1.3239	0.65
Japanese Yen	111.22	112.45	-1.09
Australian (\$)	0.7617	0.7578	0.51
Swiss Franc	0.982	0.9914	-0.95

Currency futures (US\$, ₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
November	64.95	0.03	880591	1579547	-4.79	32.10
December	65.15	-0.02	426844	258675	5.76	115.55
Nov-Dec	-0.20	-	-	1320872	-	83.62
Dec-Jan	-0.22	-	-	168696	-	65.22

Global Indices

Indices	Close	Prev close	% change
Dow Jones	23526.18	23590.83	-0.27
Nasdaq	6386.12	6378.628	0.12
FTSE	7419.02	7411.34	0.10
DAX	13015.04	13167.54	-1.16
Hang Sang	30142.82	30003.49	0.46
Nikkei	22523.15	22416.48	0.47
SGX Nifty	10371.5	10353.5	0.17

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1292.12	1280.61	0.90
Copper	313.7	312.85	0.27
Brent crude	63.32	62.57	1.20

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds fell for a second straight day, with the benchmark yield rising the most in over a week, as investors booked profit from recent gains
- The Gov benchmark 6.79% 2027 bond yield rose to 6.96% from 6.90% in the previous session
- Yield on the US 10-year benchmark bond declined to 2.32% from 2.36% in the previous session

Forex (US\$/INR)

- The rupee pared all early gains to end little changed against the US\$, as profit booking in domestic equities and caution ahead of state elections offset gains from a weak US\$ ahead of Fed policy minutes and thanksgiving holiday
- The US\$ fell sharply against major currencies post Fed monetary meeting minutes. Split among Fed members during thin trading amid thanksgiving holiday weighed on the US\$. Some Fed members shared Chair Yellen's concern on soft US inflation. JPY benefited from a soft US\$ amid divergent monetary policy concerns. Euro als held on to gains as efforts continued to end Germany's political impasse

Equity

- Equity benchmarks continued their winning streak for a fifth session amid global equity rally as strong global growth and rising corporate profits boosted sentiments
- Broader markets, however, lagged benchmarks as the Nifty midcap index ended flat after registering fresh highs while Nifty small cap index gained 0.5% on Wednesday. A/D ratio was slightly tilted in favour of declines, as a result. Sectorally, PSU banks, media and real estate stocks led the gains while pharma and metal stocks witnessed pressure

Commodities Market

- Gold gained as the US\$ fell sharply post US Fed FOMC minutes. Fed minutes showed some officials supported Fed Chair Yellen's view on concerns over soft inflation
- Oil prices remained supported on the back of soft US\$ as well as optimism from Opec stockpiles decline. EIA government data showed oil stocks declining by 1.86 mb ahead of a key Opec meeting this month

Strategy

- In the currency futures market, the near month dollar-rupee November contract on the NSE ended at 64.95. The November contract open interest declined 4.79% from the previous day
- December contract open interest increased 5.76% 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)	View: Bearish on US\$INR
Sell US\$INR in the range of 64.90 - 65.00	Market Lot: US\$1000
Target: 64.70 / 64.60	Stop Loss: 65.10
Support	Resistance
S1/S2: 64.85 / 64.65	R 1/R 2: 65.10 / 65.20

Source: Company, ICICIdirect.com Research

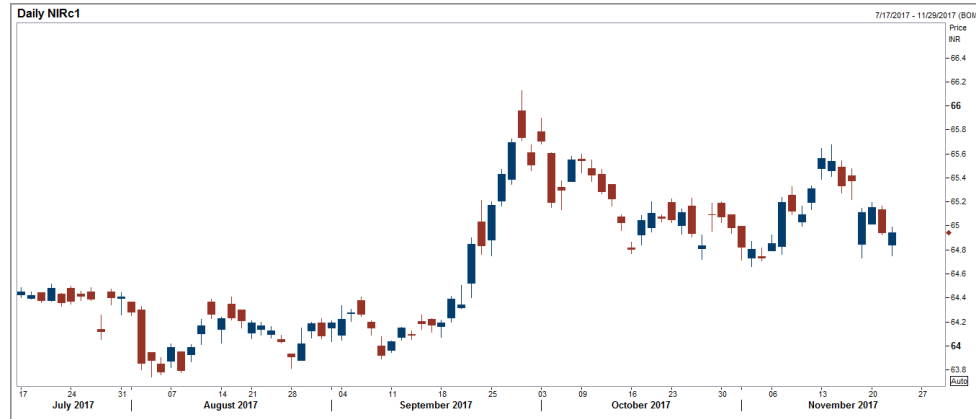
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹crore)
Equity	6071.71	6317.74	-246.03
Debt	1819.11	458.29	1360.82

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)	64.90	64.82	64.66	65.06	65.15
US\$ - INR (December)	65.12	65.03	64.89	65.26	65.35
EUR - INR (November)	76.27	76.12	75.90	76.49	76.63
EUR - INR (December)	76.63	76.49	76.28	76.85	76.99
GBP - INR (November)	85.96	85.82	85.62	86.16	86.30
GBP - INR (December)	86.33	86.23	86.08	86.48	86.58
JPY - INR (November)	57.88	57.77	57.58	58.07	58.17
JPY - INR (December)	58.14	58.04	57.86	58.32	58.42

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
22-Nov-12	November	Sell	Sell future	65.00	64.70	65.15	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 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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