

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.65	6.68
US 10 year	2.36	2.32
Eur 10 year	0.26	0.28
UK 10 year	1.07	1.06
JPY 10 year	0.07	0.08

RBI reference rate

	Close 03-04-2017	31-03-2017	% change
USD/INR	64.91	64.84	0.11
EUR/INR	69.28	69.25	0.05
GBP/INR	81.43	80.88	0.68
YEN/INR	58.23	57.96	0.47

Spot

Spot	Close	Prev close	% change
Rupee	65.03	64.85	0.27
Dollar index	100.54	100.54	0.00
Euro	1.0674	1.067	0.04
British pound	1.244	1.2486	-0.37
Japanese Yen	110.74	110.9	-0.14
Australian (\$)	0.7565	0.7605	-0.53
Swiss Franc	1.002	1.0015	0.05

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	Vol
April	65.21	0.25	1777390	908334	3.73	-5.41
May	65.48	0.23	368887	130846	11.68	0.56
April-May	-0.27	-	-	777488	-	85.59
May-June	-0.28	-	-	123973	-	94.75

Global Indices

Indices	Close	Prev close	% change
Dow Jones	20689.24	20650.21	0.19
Nasdaq	5440.407	5432.2	0.15
FTSE	7321.82	7282.69	0.54
DAX	12282.34	12257.2	0.21
Hang Sang	24334.77	24261	0.99
Nikkei	18864.79	18810.25	0.29
SGX Nifty	9287	9280	0.08

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1256.28	1253.5	0.22
Copper	261.2	260.35	0.33
Brent crude	54.17	53.12	1.98

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds rose, as traders covered short positions while they awaited the Monetary Policy Committee's rate decision due later this week
- The benchmark 6.97% 2026 bond yield fell to 6.65% from 6.68% in the previous session
- Yield on the US 10-year rose to 2.36% from 2.32% in the previous session

Forex (US\$/INR)

- The rupee erased early gains to end lower against the dollar, dragged by US\$ purchases by state-run banks and caution ahead of monetary policy meeting
- The US dollar remained in a narrow range ahead of US Fed FOMC minutes. Traders await the details over the monetary policy assessment. Fed's rate hike stance is a significant catalyst for US\$ movement. GBP continued to weaken against US\$ due to Brexit uncertainty and growing demand from Scotland for a second independence referendum

Equity

- Equity benchmarks extended gains for a fifth consecutive session to post a record closing high on the first trading day of FY17-18 riding on good PMI numbers and strength in the rupee to nearly 18 month high against the US dollar that boosted sentiment
- The Sensex rallied 289 points or 0.98% 29910 while the Nifty surged 64 points or 0.70% to 9237
- In the broader market space, the BSE midcap index was up 0.69% while the small cap index outperformed the benchmark by gaining 1.29%. Both indices continued to scale new life-time highs along with the benchmark. The overall market breadth was strong with an A/D ratio of 2.62:1 on the BSE

Commodities Market

- Crude oil remains supported as Opec and other members mull a supply curb extension further by six months. Also, weakness in the US\$ and fall in US oil inventories is positive for crude oil
- Gold remains supported due to rising global uncertainty over US interest rate hike, Brexit negotiations and elections in euro. Also, inflation spike in developed economies is positive for gold

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee April contract on the NSE ended at 65.21. The April contract open interest rose 3.73% from the previous day
- May contract open interest rose 11.68% from the previous day
- We expect the US\$ to find supports at lower levels. Utilise downsides in the pair to go long on the US\$/INR pair

Intra-day strategy

US\$/INR April futures contract (NSE)	View: Bullish on US\$/INR
Buy US\$/INR in the range of 65.12 - 65.20	Market Lot: US\$1000
Target: 65.38 / 65.58	Stop Loss: 65.07
Support	Resistance
S1/ S2: 65.08 / 64.90	R1/R2: 65.33 / 65.50

Source: Company, ICICIdirect.com Research

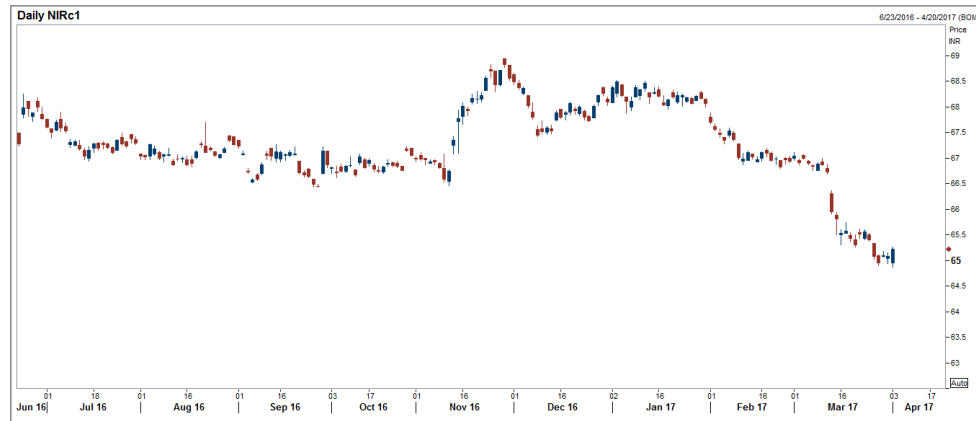
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹ crore)
Equity	9068.66	5579.09	3489.57
Debt	2109.42	1429.35	680.07

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 (Apr)	65.13	64.98	64.73	65.38	65.52
US\$ - INR (May)	65.42	65.29	65.07	65.63	65.76
EUR - INR (Apr)	69.56	69.47	69.33	69.70	69.79
EUR - INR (May)	69.93	69.84	69.69	70.08	70.17
GBP - INR (Apr)	81.57	81.43	81.24	81.76	81.90
GBP - INR (May)	81.95	81.80	81.61	82.13	82.28
JPY - INR (Apr)	58.52	58.41	58.24	58.69	58.80
JPY - INR (May)	58.80	58.68	58.50	58.98	59.09

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
3-Apr-17	USD/INR April	Sell future	Sell future	65.12	64.80	65.23	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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