

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.53	6.57
US 10 year	2.19	2.17
Eur 10 year	0.26	0.27
UK 10 year	1.03	1.00
JPY 10 year	0.07	0.05

RBI reference rate

	Close		% change
	08-06-2017	07-06-2017	
USD/INR	64.36	64.45	-0.15
EUR/INR	72.51	72.66	-0.21
GBP/INR	83.43	83.25	0.22
YEN/INR	58.76	58.93	-0.29

Spot

Spot	Close	Prev close	% change
Rupee	64.21	64.33	-0.19
Dollar index	96.92	96.75	0.18
Euro	1.1214	1.1257	-0.38
British pound	1.2956	1.296	-0.03
Japanese Yen	110.02	109.82	0.18
Australian (\$)	0.7547	0.7549	-0.03
Swiss Franc	0.9672	0.9652	0.21

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
June	64.36	-0.25	1032620	551894	-0.58	-28.97
July	64.60	-0.26	481761	80951	2.60	-20.72
June-July	-0.24	-	-	470943	-	85.33
July-August	-0.27	-	-	76542	-	94.55

Global Indices

Indices	Close	Prev close	% change
Dow Jones	21182.53	21173.69	0.04
Nasdaq	5885.296	5877.589	0.13
FTSE	7449.98	7478.62	-0.38
DAX	12713.58	12672.49	0.32
Hang Sang	26034.65	26063.06	-0.11
Nikkei	20077.28	19909.26	0.84
SGX Nifty	9680	9675	0.05

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1278.01	1287.15	-0.71
Copper	260.95	255.15	2.27
Brent crude	47.86	48.06	-0.42

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds rose for a third day, after the Monetary Policy Committee's downward revision of inflation projection prompted investor hopes of lower interest rates
- The benchmark 6.97% 2026 bond yield declined to 6.53% from 6.57% in the previous session
- Yield on the US 10-year rose to 2.19% from 2.17% in the previous session

Forex (US\$/INR)

- The rupee rose for a second day, as a sharp appreciation towards session-end due to soft US\$ of crucial economic and political events in the US and Europe
- The US\$ posted gains against major currencies due to multiple factors. ECB maintained key interest rates but raised concerns on inflation. The British pound fell sharply as early polls data suggest a hung Parliament or the Conservative party failing to garner a majority vote. Japanese Yen lost against the US\$ as absence of any sensational information from FBI former director testimony supported the US\$

Equity

- Equity benchmarks settled marginally lower in rudderless trade on Thursday as caution prevailed ahead of UK election outcome and ECB meeting
- The Sensex shed 57 points 0.19% to 31213 while the Nifty eased 16 points or 0.17% to 9647 levels
- The broader markets outperformed the benchmark on Thursday, highlighting stock specific action in market despite lacklustre performance of frontline indices. The BSE midcap and small cap indices gained 0.23% and 0.30%, respectively. The overall market breadth was BSE neutral

Commodities Market

- Crude oil fell yesterday on the back of expectation of rising supplies from Nigeria to the US. Also, the recent tussle among a handful of Opec nations has raised concerns on compliance of daily oil supply accord
- Gold prices saw some profit booking in yesterday's trade as US yield continued the recovery. Former FBI director's testimony failed to divulge any new information over US President campaign's Russian contacts

Strategy

- In the currency futures market, the most traded dollar-rupee June contract on the NSE ended at 64.36. The June contract open interest declined 0.58% from the previous day
- July contract open interest increased 2.60% in the last session
- We expect the US\$ to meet supply pressure at higher levels. Utilise upsides in the pair to go short on the US\$INR pair

Intra-day strategy

US\$INR June futures contract (NSE)	View: Bearish on US\$INR
Sell US\$INR in the range of 64.53 - 64.63	Market Lot: US\$1000
Target: 64.20 / 64.10	Stop Loss: 64.73
Support	Resistance
S1/ S2: 64.44 / 64.24	R1/R2: 64.50 / 64.70

Source: Company, ICICIdirect.com Research

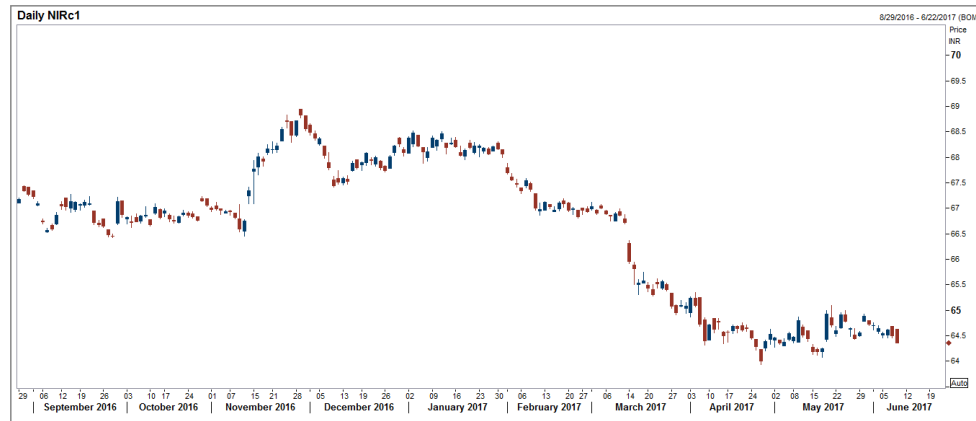
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹ crore)
Equity	5119.19	5029.81	-93.47
Debt	3466.96	742.97	60.00

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 (June)	64.46	64.29	64.19	64.56	64.73
US\$ - INR (July)	64.69	64.55	64.46	64.78	64.91
EUR - INR (June)	72.53	72.32	72.19	72.66	72.88
EUR - INR (July)	72.91	72.71	72.60	73.02	73.22
GBP - INR (June)	83.52	83.29	83.14	83.66	83.89
GBP - INR (July)	83.90	83.66	83.52	84.04	84.28
JPY - INR (June)	58.69	58.40	58.23	58.86	59.15
JPY - INR (July)	58.99	58.69	58.52	59.15	59.45

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
8-Jun-17	June	Sell	Sell future	64.60	64.40	64.75	120	booked profits

(*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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