

**Treasury yields**

	Closing yield%	Previous yield %
India 10 year	6.48	6.47
US 10 year	2.16	2.13
Eur 10 year	0.28	0.23
UK 10 year	1.03	0.93
JPY 10 year	0.05	0.07

**RBI reference rate**

	Close		% change
	15-06-2017	14-06-2017	
USD/INR	64.28	64.31	-0.05
EUR/INR	72.11	72.13	-0.03
GBP/INR	81.91	82.11	-0.24
YEN/INR	58.62	58.45	0.29

**Spot**

Spot	Close	Prev close	% change
Rupee	64.54	64.30	0.37
Dollar index	97.43	96.94	0.51
Euro	1.1145	1.1218	-0.65
British pound	1.2758	1.2751	0.05
Japanese Yen	110.93	109.58	1.23
Australian (\$)	0.7579	0.7585	-0.08
Swiss Franc	0.9753	0.9711	0.43

**Currency futures (US\$/₹, NSE)**

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
June	64.62	0.33	1041297	671346	16.77	11.24
July	64.88	0.32	511074	153166	-0.11	161.08
June-July	-0.26	-	-	518180	-	77.19
July-August	-0.25	-	-	142580	-	93.09

**Global Indices**

Indices	Close	Prev close	% change
Dow Jones	21359.9	21374.56	-0.07
Nasdaq	5700.885	5727.066	-0.46
FTSE	7419.36	7474.4	-0.74
DAX	12691.81	12805.95	-0.89
Hang Sang	25662.85	25565.34	0.38
Nikkei	19935.8	19831.82	0.52
SGX Nifty	9604.5	9599	0.06

\* Asian market as at 08.00 am

**Commodities**

	Close	Prev close	% change
Gold	1253.98	1260.86	-0.55
Copper	256.55	257.35	-0.31
Brent crude	46.92	47	-0.17

Source: Reuters, Bloomberg, CdsI for above all exhibits

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**Debt market**

- Government bonds fell for the first time in three days, as investors booked profit from recent gains, after a Federal Reserve rate hike on expected lines
- The Gov benchmark 6.79% 2027 bond yield rose to 6.48% from 6.47% in the previous session
- Yield on the US 10-year rose to 2.16% from 2.13% in previous session

**Forex (US\$/INR)**

- The rupee ended sharply lower, unable to sustain opening gains. Weak equities and a hawkish Fed stance weighed on the rupee. BoE also saw rising dissent towards an interest rate increase, raising concerns on future inflows in emerging markets
- The US\$ recovered against major currencies on the back of hawkish US interest rate outlook amid a 25-bps interest rate hike. US\$JPY pair gained sharply while rising on increasing monetary policy deviation ahead of BoJ's monetary meeting today. BoE kept its key interest rates unchanged while three MPC members voted for an imminent rate hike resulting in the pound gaining sharply

**Equity**

- Equity benchmarks settled lower on Thursday amid profit booking in recently run up stocks, soft US economic data and the relatively hawkish stance of the Federal Reserve while hiking rates by 25 basis points
- The Sensex fell 80 points or 0.26% to 31075 while the Nifty lost 40 points or 0.42% to 9578
- Broader markets relatively outperformed the benchmarks as the BSE midcap eased just 0.12% whereas the small cap index was up 0.37%. As a result, the overall market breadth was marginally positive

**Commodities Market**

- Crude oil saw mild losses in yesterday's trade due to rising US oil stocks and also strength in US\$. Libya being exempt from the Opec oil supply accord has increased its production to nearly four year highs
- Gold prices fell in yesterday's trade over hawkish US interest rate outlook. Gold could see some further pressure due to rising expectations of tightening policy by major central banks and subdued inflation

**Strategy**

- In the currency futures market, the most traded dollar-rupee June contract on the NSE ended at 64.62. The June contract open interest declined 16.77% from the previous day
- July contract open interest declined 0.11% in the previous session
- 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 June futures contract (NSE)	View: Bullish on US\$INR
Buy US\$INR in the range of 64.45 - 64.55	Market Lot: US\$1000
Target: 64.75 / 64.85	Stop Loss: 64.35
Support	Resistance
S1/ S2: 64.50 / 64.40	R1/R2: 64.70 / 64.80

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	6819.81	6733.70	-93.47
Debt	1247.69	483.75	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)	64.51	64.39	64.19	64.72	64.84
US\$ - INR (July)	64.77	64.66	64.48	64.95	65.06
EUR - INR (June)	72.17	72.02	71.89	72.30	72.45
EUR - INR (July)	72.56	72.42	72.31	72.67	72.81
GBP - INR (June)	82.34	82.03	81.58	82.79	83.10
GBP - INR (July)	82.73	82.42	81.98	83.17	83.48
JPY - INR (June)	58.78	58.67	58.55	58.89	59.01
JPY - INR (July)	59.07	58.96	58.86	59.17	59.28

Source: NSE, ICICIdirect.com Research

### Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
15-Jun-17	June	Sell	Sell future	64.53	64.30	64.68	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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