

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.83	6.82
US 10 year	2.42	2.41
Eur 10 year	0.43	0.41
UK 10 year	1.23	1.18
JPY 10 year	0.06	0.06

RBI reference rate

	Close		% change
	23-03-2017	22-03-2017	
USD/INR	65.42	65.49	-0.10
EUR/INR	70.67	70.72	-0.07
GBP/INR	81.85	81.68	0.20
YEN/INR	58.81	58.70	0.19

Spot

Spot	Close	Prev close	% change
Rupee	65.53	65.44	0.13
Dollar index	99.76	99.68	0.08
Euro	1.0783	1.0797	-0.13
British pound	1.2521	1.2485	0.29
Japanese Yen	110.94	111.16	-0.20
Australian (\$)	0.7627	0.7678	-0.66
Swiss Franc	0.9934	0.9914	0.20

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
March	65.56	0.08	1076888	1134810	-17.92	-9.10
April	67.77	3.07	1106515	260003	3.95	-35.93
March-April	-2.21	-	-	874807	-	77.09
April-May	-0.26	-	-	223228	-	85.86

Global Indices

Indices	Close	Prev close	% change
Dow Jones	20656.58	20661.3	-0.02
Nasdaq	5355.143	5367.555	-0.23
FTSE	7340.71	7324.72	0.22
DAX	12039.68	11904.12	1.14
Hang Sang	24329.22	24327.7	0.01
Nikkei	19257.38	19085.31	0.90
SGX Nifty	9102	9102	0.00

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1245.2	1248.84	-0.29
Copper	263.65	262.2	0.55
Brent crude	50.56	50.64	-0.16

Source: Reuters, Bloomberg, Cdsl for above all exhibits

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Debt market

- Government bonds fell for the first time in three days, as investors booked profit after persistent declines in US treasury yields ahead of status of a crucial Healthcare Act decision in the US
- The benchmark 6.97% 2026 bond yield rose mildly to 6.83% from 6.82% in the previous day
- Yield on US 10-year rose to 2.42% from 2.41% in the previous day

Forex (US\$/INR)

- The rupee fell to a week-low against the dollar, as US\$ demand from crude oil and other importers due to attractive US\$INR levels. The rupee will take cues from further moves in the US\$ post the decision on the healthcare bill
- The US\$ remained on the edge as market participants await the details on repealing of Obamacare bill. US president's Tax reforms and spending plan hinges on the decision on Healthcare Act. US\$ may slide against major currencies on failure of Republicans to repeal the Act

Equity

- Equity benchmarks snapped their three day losing streak and settled higher on Thursday with energy shares leading the gains while banking and auto share witnessed buying efforts after recent decline
- The Sensex rose 164 points or 0.56% to 29332 while the Nifty gained 55 points or 0.62% to shut shop at 9086
- Broader markets outperformed the benchmarks as the BSE midcap and small cap indices gained over 0.90% each. As a result, the overall market breadth was positive with A/D ratio of 1.5:1 on the BSE

Commodities Market

- Crude oil continue to trade in range as Opec non-Opec supply cuts are being countered by rising US oil inventories and shale oil supply. Prices will take cues from the meeting to be held between Opec and non-Opec producers on Sunday to review the supply agreement and cut extension decision
- Gold fell tracking mild gains in US\$. Overall gold remain supported as fears of more rate hikes than market expectation were quelled in the last FOMC monetary policy meeting

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee March contract on the NSE ended at 65.56. The March contract open interest fell 17.92% from the previous day
- April contract open interest rose 3.95% from the previous day
- We expect the US dollar to find supports at lower levels. Utilise downsides in the pair to go long on the US\$INR pair

Intra-day strategy

US\$INR March futures contract (NSE)	View: Bullish on US\$INR
Buy US\$INR in the range of 65.40 - 65.50	Market Lot: US\$1000
Target: 65.60 / 65.70	Stop Loss: 65.30
Support	Resistance
S1/ S2: 65.40 / 65.20	R1/R2: 65.65 / 65.85

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	6619.87	6409.30	210.57
Debt	5617.88	572.78	5045.10

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 (Mar)	65.52	65.45	65.34	65.64	65.71
US\$ - INR (Apr)	65.76	65.70	65.59	65.86	65.93
EUR - INR (Mar)	70.72	70.62	70.46	70.87	70.97
EUR - INR (Apr)	71.07	70.97	70.80	71.24	71.35
GBP - INR (Mar)	81.93	81.76	81.46	82.22	82.39
GBP - INR (Apr)	82.29	82.11	81.82	82.58	82.76
JPY - INR (Mar)	58.95	58.82	58.56	59.21	59.34
JPY - INR (Apr)	59.23	59.11	58.88	59.45	59.58

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
23-Mar-17	March	Sell	Sell future	65.60	65.45	65.75	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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