

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.94	6.92
US 10 year	2.27	2.25
Eur 10 year	0.33	0.25
UK 10 year	1.05	1.03
JPY 10 year	0.02	0.02

RBI reference rate

	Close		% change
	4/24/2017	4/21/2017	
USD/INR	64.48	64.57	-0.15
EUR/INR	69.99	69.17	1.19
GBP/INR	82.46	82.70	-0.29
YEN/INR	58.56	59.03	-0.80

Spot

Spot	Close	Prev close	% change
Rupee	64.44	64.61	-0.27
Dollar index	99.09	99.98	-0.89
Euro	1.0868	1.0728	1.30
British pound	1.2796	1.2817	-0.16
Japanese Yen	109.77	109.09	0.62
Australian (\$)	0.7571	0.7541	0.40
Swiss Franc	0.9958	0.9963	-0.05

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
April	64.46	-0.30	1078299	874930	1.21	44.10
May	64.74	-0.29	979160	436303	20.81	151.82
April-May	-0.29	-	-	438627	-	50.13
May-June	-0.28	-	-	370299	-	84.87

Global Indices

Indices	Close	Prev close	% change
Dow Jones	20763.89	20547.76	1.05
Nasdaq	5508.033	5442.049	1.21
FTSE	7264.68	7114.55	2.11
DAX	12454.98	12048.57	3.37
Hang Sang	24339.75	24139.48	0.83
Nikkei	19022.79	18875.88	0.78
SGX Nifty	9250	9227	0.25

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1276.31	1284.44	-0.63
Copper	255.25	253.75	0.59
Brent crude	51.6	51.96	-0.69

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Sovereign bonds fell for a third day, tracking gains in US treasury yields, after centrist candidate and investor-friendly Emmanuel Macron won the first round of French presidential elections
- The benchmark 6.97% 2026 bond yield rose to 6.94% from 6.92% in the previous session
- Yield on the US 10-year rose to 2.27% from 2.25% in the previous session

Forex (US\$/INR)

- The rupee rose to the highest levels in more than a week against the dollar, in line with most Asian peers, as foreign banks likely sold the greenback for their clients amid improved risk appetite after a pro-European Union centrist won the first round of French Presidential polls
- After initial weakness on the back of a stronger euro, the US\$ index nursed losses only to close at 99 and ending with losses against major currencies on Monday. However, with the US government again discussing a reform agenda of tax cuts, the index may derive cues from the announcement

Equity

- Equity benchmarks began the week on a strong note, surging ~1% tracking strength in European peers after the favoured candidate of the market won the first round of the French presidential election reducing the risk of a Brexit like shock
- The Sensex rose 290 points or 0.99% to 29655 while the Nifty gained 98 points or 1.08% to shut shop at 9217
- The broader markets also reflected strength as the BSE midcap and small cap indices rose 0.95% and 0.82%, respectively. As a result, the overall market breadth was positive with an A/D ratio of 1.27:1 on BSE

Commodities Market

- Oil futures drifted lower Monday, with June delivery futures ending with a loss of 0.8%, at \$49.23 a barrel. Combination of worries about rising US output and doubts about the ability of Opec to achieve an extension of a programme of production curbs kept the pressure on futures
- Gold fell more than 1% on Monday, after the market's favored French presidential candidate won the first round of the country's election but prices pared losses as US treasury yields came off their highs

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee April contract on the NSE ended at 64.46. The April contract open interest increased 1.2% from the previous day
- May contract open interest rose 20.8% from the previous day
- 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 April futures contract (NSE)	View: Bearish on US\$INR
Sell US\$INR in the range of 64.60- 64.70	Market Lot: US\$1000
Target: 64.40/ 64.30	Stop Loss: 64.80
Support	Resistance
S1/ S2: 64.50 / 64.30	R1/R2:64.80 /65.00

Source: Company, ICICIdirect.com Research

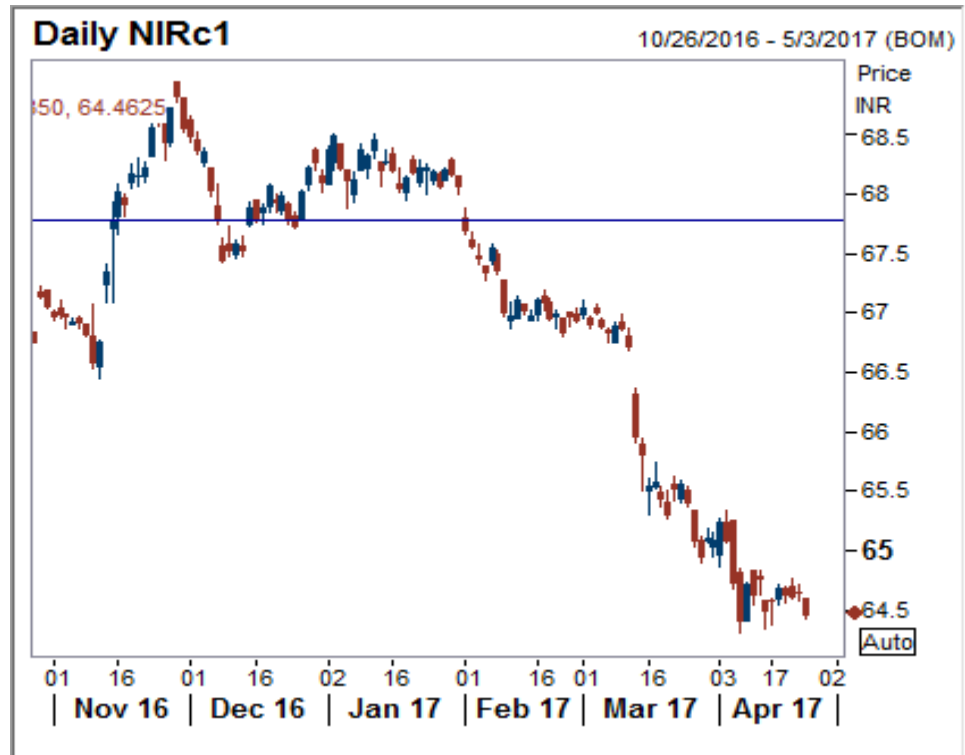
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹ crore)
Equity	5246.74	3996.06	1250.68
Debt	635.48	431.27	204.21

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)	64.50	64.40	64.34	64.56	64.66
US\$ - INR (May)	64.78	64.69	64.63	64.84	64.93
EUR - INR (Apr)	70.01	69.88	69.76	70.13	70.26
EUR - INR (May)	70.38	70.26	70.15	70.50	70.62
GBP - INR (Apr)	82.62	82.50	82.31	82.80	82.92
GBP - INR (May)	82.99	82.87	82.69	83.17	83.29
JPY - INR (Apr)	58.60	58.39	58.26	58.73	58.93
JPY - INR (May)	58.93	58.68	58.52	59.09	59.34

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
24-Apr-17	April	Sell	Sell future	64.75	64.45	64.90	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 paise 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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