

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.66	6.68
US 10 year	2.26	2.25
Eur 10 year	0.36	0.40
UK 10 year	1.04	1.07
JPY 10 year	0.05	0.05

RBI reference rate

	Close		% change
	25-05-2017	24-05-2017	
USD/INR	64.51	64.86	-0.54
EUR/INR	72.47	72.47	-0.01
GBP/INR	83.77	84.10	-0.39
YEN/INR	57.74	57.96	-0.38

Spot

Spot	Close	Prev close	% change
Rupee	64.62	64.73	-0.17
Dollar index	97.25	97.24	0.01
Euro	1.121	1.1219	-0.08
British pound	1.2942	1.2972	-0.23
Japanese Yen	111.84	111.49	0.31
Australian (\$)	0.7454	0.7503	-0.65
Swiss Franc	0.9727	0.973	-0.03

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
May	64.64	-0.21	699247	761259	-9.98	-21.50
Jun	64.87	-0.22	997810	424418	5.73	23.23
May-Jun	-0.23	-	-	336841	-	44.25
Jun-Jul	-0.27	-	-	402571	-	94.85

Global Indices

Indices	Close	Prev close	% change
Dow Jones	21082.95	21012.42	0.34
Nasdaq	5778.375	5730.301	0.84
FTSE	7517.71	7514.9	0.04
DAX	12621.72	12642.87	-0.17
Hang Sang	25614.82	25630.78	-0.06
Nikkei	19757.31	19813.13	-0.28
SGX Nifty	9482	9510.5	-0.30

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1255.67	1258.73	-0.24
Copper	259.2	257.8	0.54
Brent crude	51.46	53.96	-4.63

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds rose for the first time in three days, tracking a decline in US treasury yields after the Federal Reserve's latest meeting minutes dented bets on faster interest rate hikes
- The benchmark 6.97% 2026 bond yield fell slightly to 6.66% from 6.68% in the previous session
- Yield on the US 10-year rose to 2.26% from 2.25% in the previous session

Forex (US\$/INR)

- The rupee rose for a second straight session against the US\$, after the Federal Reserve's meeting minutes reinforced expectations of an interest rate hike in the US next month but signalled caution, going forward, hurting expectations on the pace of future rate hikes
- The US\$ remained in a range against major currencies in the absence of any major market moving trigger. The British pound continued to remain under pressure since the terrorist attack in Manchester. We expect some mild recovery in the US\$ from the recent slide while the JPY would be supported on safe haven buying

Equity

- Equity benchmarks posted a strong comeback after the five session breather to end the May series derivatives expiry on a high note tracking positive global cues post US Federal Reserve minutes
- The Sensex jumped to a new all-time high of 30793 before ending at 30750, up 448 points or 1.48% while the Nifty fell just 10 points shy of its all-time high and settled at 9509, up 149 point 1.59% for the day
- Broader markets snapped their six session losing streak as the BSE midcap and small cap indices gained 1.35% and 2.01%, respectively. As a result, the market breadth, indicating the overall health of the market was strong with A/D ratio of 2.3:1 on the BSE

Commodities Market

- Crude oil fell sharply by over 4.60% in yesterday's trade after Opec disappointed on supply curbs. Output curbs have been prolonged by nine months but market expectation was of further deep cuts
- Gold prices remained in a range ahead of crucial US May employment data and almost certain US June interest rate hike. Overall, we expect gold to remain supported as political turmoil around the US President and a soft US\$ would remain positive for an up move in gold

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee May contract on the NSE ended at 64.64. The May contract open interest declined 9.98% from the previous day
- June contract open interest increased by 5.73% in the last 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 May futures contract (NSE)	View: Bullish on US\$INR
Buy US\$INR in the range of 64.45 - 64.55	Market Lot: US\$1000
Target: 64.80/ 65.00	Stop Loss: 64.35
Support	Resistance
S1/ S2: 64.60 / 64.40	R1/R2:64.80 /65.00

Source: Company, ICICIdirect.com Research

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

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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