

### Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.71	6.83
US 10 year	2.42	2.38
Eur 10 year	0.39	0.40
UK 10 year	1.19	1.17
JPY 10 year	0.06	0.06

### RBI reference rate

	Close		% change
	27-03-2017	24-03-2017	
USD/INR	65.09	65.46	-0.56
EUR/INR	70.67	70.47	0.30
GBP/INR	81.65	81.67	-0.03
YEN/INR	59.08	58.74	0.58

### Spot

Spot	Close	Prev close	% change
Rupee	65.05	65.42	-0.57
Dollar index	99.71	99.17	0.55
Euro	1.0814	1.0864	-0.46
British pound	1.245	1.2559	-0.87
Japanese Yen	111.15	110.66	0.44
Australian (\$)	0.7633	0.7618	0.20
Swiss Franc	0.9925	0.9856	0.70

### Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
April	65.27	-0.55	1267324	682634	8.54	145.93
May	65.55	-0.53	225174	76554	16.56	400.03
April-May	-0.28	-	-	606080	-	88.79
May-June	-0.24	-	-	44536	-	58.18

### Global Indices

Indices	Close	Prev close	% change
Dow Jones	20701.5	20550.98	0.73
Nasdaq	5407.208	5374.273	0.61
FTSE	7343.42	7293.5	0.68
DAX	12149.42	11996.07	1.28
Hang Sang	24390.5	24345.87	0.18
Nikkei	19191.15	19202.87	-0.06
SGX Nifty	9141.5	9113.5	0.31

\* Asian market as at 08.00 am

### Commodities

	Close	Prev close	% change
Gold	1251.82	1254.86	-0.24
Copper	266.9	262.5	1.68
Brent crude	51.33	50.75	1.14

Source: Reuters, Bloomberg, Cdsl for above all exhibits

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### Debt market

- Government bond posted gains as yields fell in the previous session due to the US healthcare debacle. However, we see limited gains in debt ahead of the central bank's monetary policy next week
- The benchmark 6.97% 2026 bond yield fell to 6.71% from 6.83% in the previous session
- Yield on US 10-year rose to 2.42% from 2.38% in the previous day in line with recovery in US\$

### Forex (US\$/INR)

- The rupee rose to a 17-month high against the dollar, as US President Donald Trump's failure to secure lawmakers' approval for a healthcare bill raised concerns about the fate of his other reforms proposals, which led dollar index testing four-month lows
- The US\$ posted recovery against major currencies with dollar index ending almost 0.55% to end at 99.71 level. Higher consumer confidence data supported rise in US\$. The upcoming US March employment data will be a catalyst for further trends in the US\$

### Equity

- Equity benchmarks reversed the previous session's losses and settled on a firm note tracking positive cues from the Asian peers
- The Sensex rose 172 points or 0.59% to 29409 while the Nifty was up 55 points or 0.61% to settle at the 9100 mark
- Broader markets also rose in line with the benchmarks as the BSE midcap and small cap indices gained 0.72% and 0.58%, respectively. The overall market breadth was marginally favouring advances

### Commodities Market

- Crude oil extended gains on news of supply disruption from Libya's biggest oil field. Libya has been exempt from supply curbs while Opec members mull the extension of supply curbs by another six months, which is originally set to expire in June
- Gold fell in yesterday's trade as US\$ found supports and posted gains against major currencies from previous slide. Gold will track the movement in the US\$ as rising inflation in almost all major economies will support inflation hedge buying in gold

### US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee April contract on the NSE ended at 65.27. The April contract open interest rose 8.54% from the previous day
- May contract open interest rose 16.56% from the previous day
- 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 April futures contract (NSE)

Buy US\$INR in the range of 65.00 - 65.10

Target: 65.25 / 65.35

Support

S1/ S2: 65.00 / 64.80

View: Bullish on US\$INR

Market Lot: US\$1000

Stop Loss: 64.90

Resistance

R1/R2: 65.25 / 65.45

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	-	-	583.62
Debt	-	-	914.73

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)	65.39	65.17	65.04	65.51	65.73
US\$ - INR (May)	65.63	65.45	65.34	65.74	65.92
EUR - INR (Apr)	71.08	70.99	70.90	71.17	71.27
EUR - INR (May)	71.31	71.15	70.90	71.56	71.73
GBP - INR (Apr)	82.13	81.99	81.74	82.37	82.51
GBP - INR (May)	82.52	82.24	81.93	82.84	83.12
JPY - INR (Apr)	59.30	59.14	59.05	59.39	59.54
JPY - INR (May)	59.60	59.44	59.32	59.72	59.88

Source: NSE, ICICIdirect.com Research

**Exhibit 3: Strategy follow up**

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
27-Mar-17	March	Sell	Sell future	65.40	65.10	65.55	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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