

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.75	6.71
US 10 year	2.38	2.42
Eur 10 year	0.34	0.39
UK 10 year	1.15	1.19
JPY 10 year	0.06	0.06

RBI reference rate

	Close		% change
	29-03-2017	27-03-2017	
USD/INR	64.96	65.09	-0.21
EUR/INR	70.11	70.67	-0.80
GBP/INR	80.48	81.65	-1.43
YEN/INR	58.41	59.08	-1.13

Spot

Spot	Close	Prev close	% change
Rupee	64.91	65.05	-0.21
Dollar index	100.00	99.71	0.29
Euro	1.0766	1.0814	-0.44
British pound	1.2434	1.245	-0.13
Japanese Yen	111.04	111.15	-0.10
Australian (\$)	0.767	0.7633	0.48
Swiss Franc	0.9965	0.9925	0.40

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
April	65.12	-0.23	1645475	1538307	29.84	125.35
May	65.39	-0.24	263050	177735	16.82	132.17
April-May	-0.27	-	-	1360572	-	88.45
May-June	-0.27	-	-	127590	-	71.79

Global Indices

Indices	Close	Prev close	% change
Dow Jones	20659.32	20701.5	-0.20
Nasdaq	5430.268	5407.208	0.43
FTSE	7373.72	7343.42	0.41
DAX	12203	12149.42	0.44
Hang Sang	24333.52	24392.05	-0.24
Nikkei	19178.82	19217.48	-0.20
SGX Nifty	9156	9144.5	0.13

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1253.45	1251.82	0.13
Copper	267	266.9	0.04
Brent crude	52.42	51.33	2.12

Source: Reuters, Bloomberg, Cdsl for above all exhibits

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Debt market

- Government bonds ended lower, as investors locked in profits after a recent rally, even as the underlying sentiment remained positive amid strong overseas interest for emerging market debt.
- The benchmark 6.97% 2026 bond yield rose to 6.74% from 6.71% in the previous session
- Yield on US 10-year fell to 2.38% from 2.42% in the previous day in line with a recovery in the US\$

Forex (US\$/INR)

- The rupee rose to a more-than-17-month high against the US\$, helped by strong fund inflows amid Exporters scramble to cover the receivables.
- The US\$ posted gains for the day against major currencies supported by recent Fed comments and upbeat US consumer data. The British pound continued to slide as the UK Prime Minister triggered Article 50 setting the stage for official negotiations with the EU. This dragged the euro also as uncertainty over trade agreements weighed on the euro-US\$ pair

Equity

- Equity benchmarks settled higher for a second consecutive session amid firm global cues and as the GST bill was tabled in the Lok Sabha for consideration
- The Sensex rose 121 points or 0.41% to 29531 while the Nifty was up 43 points or 0.47% to shut shop at 9143 levels
- Broader markets lagged the benchmark as the BSE midcap and small cap indices gained 0.14% and 0.31%, respectively. As a result, the overall market breadth was favouring declines with an A/D ratio of 1:1.41 on the BSE

Commodities Market

- Crude oil extended gains as a higher-than-expected fall in US oil inventories countered rising shale supplies. US inventories for the week fell by 3.75 mb as against expectation of fall by 2.2 mb.
- Gold gained mildly in yesterday trade as US yield cooled off from the sure in previous day. We expect gold to remain supported as soft US\$ and political events in Europe would lead to safe haven demand for Gold

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee April contract on the NSE ended at 65.12. The April contract open interest rose 29.84% from the previous day
- May contract open interest rose 16.82% 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 65.23 - 65.33	Market Lot: US\$1000
Target: 65.10 / 65.00	Stop Loss: 65.44
Support	Resistance
S1/ S2: 65.00 / 64.80	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	21367.12	14015.17	7351.95
Debt	8211.75	1251.56	6960.19

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)	65.19	65.03	64.93	65.29	65.45
US\$ - INR (May)	65.44	65.31	65.23	65.52	65.64
EUR - INR (Apr)	70.61	70.16	69.92	70.85	71.30
EUR - INR (May)	71.03	70.36	69.99	71.40	72.06
GBP - INR (Apr)	81.18	80.87	80.55	81.50	81.81
GBP - INR (May)	81.57	81.09	80.72	81.94	82.42
JPY - INR (Apr)	58.77	58.57	58.33	59.00	59.21
JPY - INR (May)	59.12	58.94	58.78	59.28	59.46

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
29-Mar-17	March	Buy	Buy future	65.05	65.30	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 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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