

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.67	6.65
US 10 year	2.25	2.25
Eur 10 year	0.30	0.33
UK 10 year	1.01	1.01
JPY 10 year	0.04	0.04

RBI reference rate

	Close		% change
	29-05-2017	26-05-2017	
USD/INR	64.56	64.59	-0.06
EUR/INR	72.14	72.33	-0.27
GBP/INR	82.82	83.18	-0.44
YEN/INR	58.03	57.95	0.14

Spot

Spot	Close	Prev close	% change
Rupee	64.50	64.45	0.08
Dollar index	97.44	97.44	0.00
Euro	1.1164	1.1183	-0.17
British pound	1.284	1.2804	0.28
Japanese Yen	111.27	111.33	-0.05
Australian (\$)	0.744	0.7448	-0.11
Swiss Franc	0.9777	0.9741	0.37

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
June	64.73	0.06	1267768	830741	13.66	57.83
July	64.98	0.06	253873	830741	16.50	4507.80
June-July	-0.25	-	-	0	-	0.00
July-August	-0.24	-	-	814134	-	98.00

Global Indices

Indices	Close	Prev close	% change
Dow Jones	21080.28	21082.95	-0.01
Nasdaq	5788.359	5778.375	0.17
FTSE	7547.63	7517.71	0.40
DAX	12628.95	12602.18	0.21
Hang Sang	25701.63	25639.27	0.24
Nikkei	19580.18	19682.57	-0.52
SGX Nifty	9589	9617	-0.29

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1268.1	1266.76	0.11
Copper	255.95	259.2	-1.25
Brent crude	52.29	52.15	0.27

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds yields fell for a fourth week, amid hopes of a "less hawkish" inflation outlook by the Monetary Policy Committee early next month when it reviews interest rates
- The benchmark 6.97% 2026 bond yield rose slightly to 6.67% from 6.65% in the previous session
- Yield on the US 10-year was unchanged at 2.25% in the previous session

Forex (US\$/INR)

- The rupee posted its best weekly increase in nearly a month against the US\$, as record gains in domestic equities boosted hopes of more foreign fund inflows
- The US\$ ended almost unchanged against major currencies on account of thin trading due to holiday. However, we expect the US\$ to post mild gains against major currencies on account of political unease in EU and UK. Narrow lead of ruling conservative party ahead of June 8 elections in UK is expected to weigh on the British pound

Equity

- Equity benchmarks managed to end at new record closing highs in a volatile trading session on Monday even as broader markets underperformed
- The Sensex rose 81 points or 0.26% to 31109 while the Nifty settled at 9604, up just 9 points for the day
- Broader markets were under pressure throughout the session as the BSE midcap and small cap indices fell 1.03% and 1.53%, respectively. As a result, the overall market breadth was negative with an A/D ratio of 1:2 on the BSE

Commodities Market

- Crude oil continues to post mild gains against steep losses made on Opec meeting day. The overall supply accord by Opec and strong US oil supplies would keep oil range bound in the near term
- Gold prices gained yesterday defying strength in the US\$. Dovish comments by the ECB governor and comments from the Italian Prime Minister over election led to safe haven asset buying in gold

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee June contract on the NSE ended at 64.73. The June contract open interest increased 13.66% from the previous day
- July contract open interest increased 16.50% 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 June futures contract (NSE)	View: Bullish on US\$/INR
Buy US\$/INR in the range of 64.60 - 64.70	Market Lot: US\$1000
Target: 65.00/ 65.10	Stop Loss: 64.50
Support	Resistance
S1/ S2: 64.65 / 64.45	R1/R2:65.00 /65.10

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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