

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.70	6.75
US 10 year	2.42	2.38
Eur 10 year	0.33	0.34
UK 10 year	1.12	1.15
JPY 10 year	0.07	0.06

RBI reference rate

	Close		% change
	30-03-2017	29-03-2017	
USD/INR	64.93	64.96	-0.03
EUR/INR	69.87	70.11	-0.33
GBP/INR	80.75	80.48	0.34
YEN/INR	58.43	58.41	0.03

Spot

Spot	Close	Prev close	% change
Rupee	64.92	64.91	0.01
Dollar index	100.41	100.00	0.41
Euro	1.0674	1.0766	-0.85
British pound	1.2468	1.2434	0.27
Japanese Yen	111.92	111.04	0.79
Australian (\$)	0.7641	0.767	-0.38
Swiss Franc	1.0012	0.9965	0.47

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
April	65.10	-0.03	1669380	744315	1.45	-51.61
May	65.36	-0.05	303339	137500	15.32	-22.64
April-May	-0.26	-	-	606815	-	81.53
May-June	-0.26	-	-	107825	-	78.42

Global Indices

Indices	Close	Prev close	% change
Dow Jones	20728.49	20659.32	0.33
Nasdaq	5439.742	5430.268	0.17
FTSE	7369.52	7373.72	-0.06
DAX	12256.43	12203	0.44
Hang Sang	24185.96	24301.09	-0.47
Nikkei	19189.26	19063.22	0.66
SGX Nifty	9181.5	9174	0.08

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1242.64	1253.45	-0.86
Copper	267.15	267	0.06
Brent crude	52.96	52.42	1.03

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds ended higher, after investors bought debt for valuation gains at fiscal year end, while hoping the country's macroeconomic fundamentals would further boost foreign fund inflows
- The benchmark 6.97% 2026 bond yield fell to 6.70% from 6.75% in the previous session
- Yield on the US 10-year rose to 2.42% from 2.38% in the previous day in line with a recovery in the US\$

Forex (US\$/INR)

- The rupee was little changed against the dollar, as overnight strength in the US\$ against major currencies along with importers demand offset support from strong domestic equities
- The US\$ continue to post gains against major currencies as an uptick in US economic data supported US yields and improved rate hike sentiments. The euro fell as the UK triggered the Article 50 to set the stage for the official timeline of two years negotiations. The GBP recouped some of its losses

Equity

- Equity benchmarks extended gains for a third session in a row to end the March series F&O expiry on a high note after the government moved a step closer to implementing a nationwide goods and services tax (GST) from July
- The Sensex rose 115 points or 0.39% to 29647 while the Nifty added 29 points or 0.33% to settle at its highest ever closing level of 9173
- In the broader markets, the BSE midcap index rose 0.39% while the small cap index outperformed the benchmark gaining 0.95%. As a result, overall market breadth was positive with an A/D ratio of 1.76:1 on BSE

Commodities Market

- Crude oil continued to gain and is set to end with biggest weekly gain in 2017. A higher-than-expected fall in US oil inventories along with rising Opec member's clamour to extend supply curbs by six months is supporting oil prices
- Gold fell in yesterday trade as a rising US\$ weighed on non interest paying assets. Gold continued to track movement in US\$ and global yields. An inflation surge in developed countries is also helping gold

US\$/INR derivatives strategy

- In the currency futures market, the most traded dollar-rupee April contract on the NSE ended at 65.10. The April contract open interest rose 1.45% from the previous day
- May contract open interest rose 15.32% 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 65.18 - 65.26	Market Lot: US\$1000
Target: 65.00 / 64.90	Stop Loss: 65.33
Support	Resistance
S1/ S2: 65.00 / 64.80	R1/R2:65.22 /65.37

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	9353.32	8673.26	680.06
Debt	3013.44	1980.54	1032.90

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)	65.12	65.05	65.00	65.17	65.24
US\$ - INR (May)	65.38	65.32	65.28	65.42	65.48
EUR - INR (Apr)	70.10	69.97	69.87	70.20	70.33
EUR - INR (May)	70.45	70.31	70.21	70.54	70.68
GBP - INR (Apr)	81.13	80.97	80.72	81.38	81.55
GBP - INR (May)	81.49	81.32	81.07	81.75	81.92
JPY - INR (Apr)	58.67	58.56	58.46	58.77	58.88
JPY - INR (May)	58.97	58.87	58.80	59.04	59.14

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
30-Mar-17	April	Sell future	Sell future	65.28	65.05	65.44	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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