

August 16, 2016

Currency Report



Currency Futures (NSE)

Currency	Expiry	Spot	Open	High	Low	Close	% chg	OI	% Chg in OI
USDINR	August	66.8675	66.9800	67.0250	66.9175	67.0025	0.04%	1761329	-7.8%
EURINR	August	74.7910	74.6600	74.7750	74.5675	74.7450	0.06%	43515	-1.2%
GBPINR	August	86.2260	86.8825	86.9850	86.7400	86.8725	-0.19%	61816	3.8%
JPYINR	August	6648.8500	65.9500	65.9500	65.5425	65.6500	-0.64%	47531	-10.2%

Trade Sheet:

POSITIONAL OPTION STRATEGY: SELL USDINR 16AUG 68CE; SELL USDINR 16AUG 66.5PE @ CMP 0.1650, TGT 0.02, SL 0.245.

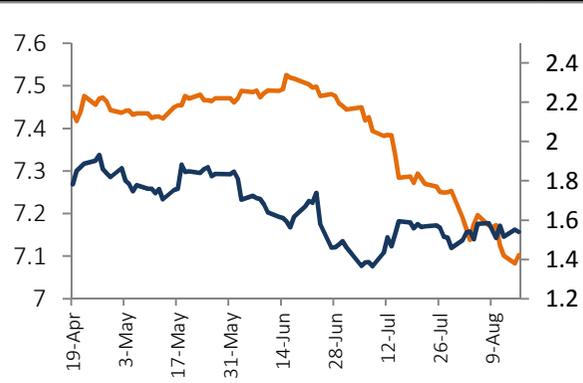
Option Monitor

Call					Strike Price	Put				
IV	% Chg in OI	OI	Volume	Premium		Premium	Volume	OI	% Chg in OI	IV
1.68	-1.30%	192484	11093	0.5600	66.50	0.0500	54505	402220	-1.51%	4.09
3.31	-2.09%	219698	79807	0.2350	67.00	0.2175	65638	334942	-0.46%	4.46
3.88	10.33%	284817	118510	0.0750	67.50	0.5650	14556	202106	-0.87%	5.44
4.54	-7.01%	150000	72635	0.0250	68.00	1.0100	1111	52156	-0.56%	6.83
5.68	-2.82%	196488	55914	0.0150	68.50	1.5150	134	85221	0.05%	9.23

FII Activity

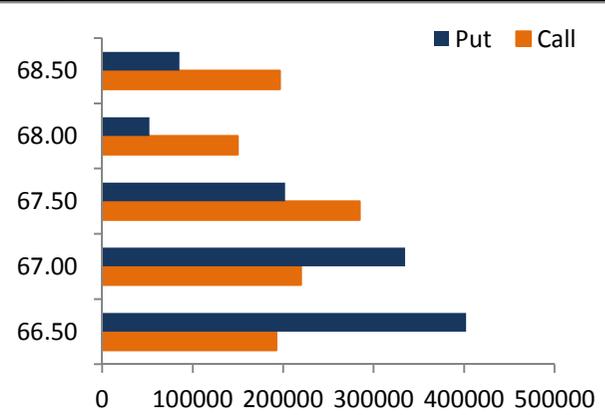
Action	Rs. (Crs)	\$ (Mil)
BUY	5754.75	858.21
SELL	4551.04	678.70
NET	1203.71	179.51

10 Yr Bonds Yields

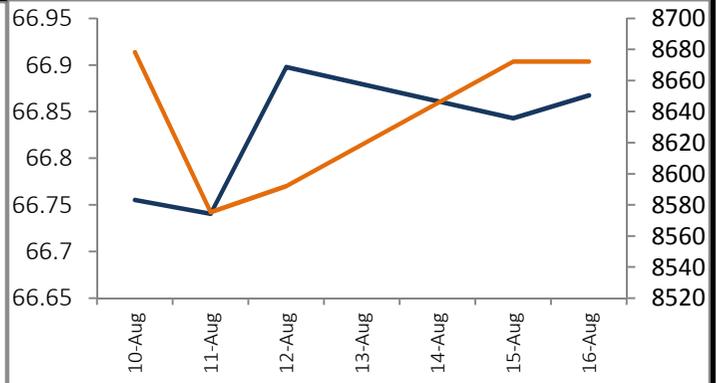


Source: Reuters India US (RHS)

Open Interest Distribution



Correlation Between Nifty v/s USDINR



Source: Reuters USDINR Nifty (RHS)

Market Snapshot

Rupee is likely to open little changed against the dollar, as traders await a clutch of U.S. economic data for further cues. Range bound trade is expected as investors stay on the sidelines in a holiday-shortened week. Sensex rose 1.1% in the previous session, with FII's buying shares worth Rs.12.04 billion.

India's retail inflation in July grew 6.07% from a year earlier, the fastest pace of annual expansion since August 2014, also ahead of RBI's retail inflation projection of around 5% by the end of the current fiscal year. Separately, India's industrial output in June rose 2.1% from a year earlier, second consecutive month of gain and the fastest since October 2015.

The Fed will release minutes of its July meeting tomorrow that could provide clues on its plans to raise interest rates and its view on the health of the economy. Fed Futures signal 45% odds of rate hike by year end.

GBP holds losses after weakest close since 1985, as prices of British homes for sale fell by their most in nine months in August.

Sentiment towards oil was likely boosted by speculation that the world's oil producers might finally move to tackle the global supply glut, with prices likely getting an additional fillip from data showing drawdown in US crude inventory.

Technical Chart



Support - Resistance for the day

Currency	Pivot	S1	S2	R1	R2
USDINR	66.98	66.94	66.87	67.05	67.09
EURINR	74.70	74.62	74.49	74.82	74.90
GBPINR	86.87	86.75	86.62	86.99	87.11
JPYINR	65.71	65.48	65.31	65.89	66.12

International Pairs

Currency	Open	High	Low	Close	% chg
Dollar Index	95.61	95.66	95.51	95.51	0.13%
Euro	1.1180	1.1192	1.1173	1.1185	-0.02%
Pound	1.2877	1.2900	1.2872	1.2896	-0.13%
Yen	101.24	101.28	100.50	100.54	0.69%

Economic Data

Today	Currency	Expected	Previous	Yesterday	Currency	Actual	Previous
WPI Inflation (YoY) (Jul)	INR	2.55%	1.62%	German GDP (QoQ) (Q2)	EUR	0.40%	0.70%
CPI (MoM) (Jul)	GBP	-0.10%	0.20%	Non-Farm Payrolls (QoQ)	EUR	0.20%	0.30%

Forward Market (OTC/ Interbank)

Period	Forward	Future	NDF
6-Month	68.9350	68.7900	68.7175
1-Year	70.9075	70.9425	70.5475

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