

May 18th, 2016

Currency Report



Currency Futures (NSE)

Currency	Expiry	Spot	Open	High	Low	Close	% chg	OI	% Chg in OI
USDINR	May	66.8815	66.9200	67.0150	66.8050	66.9925	0.04%	1261429	-1.1%
EURINR	May	75.4290	75.9000	75.9900	75.6425	75.8700	0.04%	59671	1.5%
GBPINR	May	96.5170	96.8625	97.0875	96.7400	96.9850	0.80%	34687	-1.6%
JPYINR	May	6120.2000	61.4125	61.4350	61.0000	61.2000	-0.51%	27928	14.0%

Trade Sheet:
Theta Strategy: Sell 66.75 CE & PE At 0.66, SL 0.87, Tgt 0.29

Option Monitor

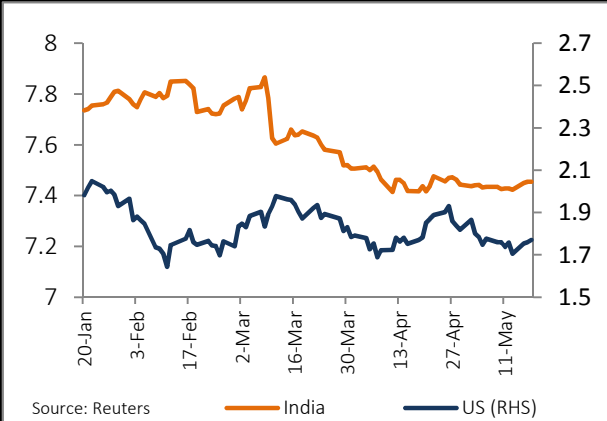
Call					Strike Price	Put				
IV	% Chg in OI	OI	Volume	Premium		Premium	Volume	OI	% Chg in OI	IV
5.70	-2.72%	25612	3314	1.0100	66.00	0.0075	57699	199430	-0.59%	4.99
4.11	-0.88%	230560	45776	0.5275	66.50	0.0350	107570	163188	8.61%	4.25
4.73	-0.75%	321583	201396	0.2075	67.00	0.2000	125709	286832	13.27%	4.50
5.32	-9.32%	331574	187489	0.0650	67.50	0.5600	2745	56716	-0.89%	5.09
6.34	5.05%	120542	71130	0.0250	68.00	1.0300	278	31282	-0.52%	6.57

FII Activity

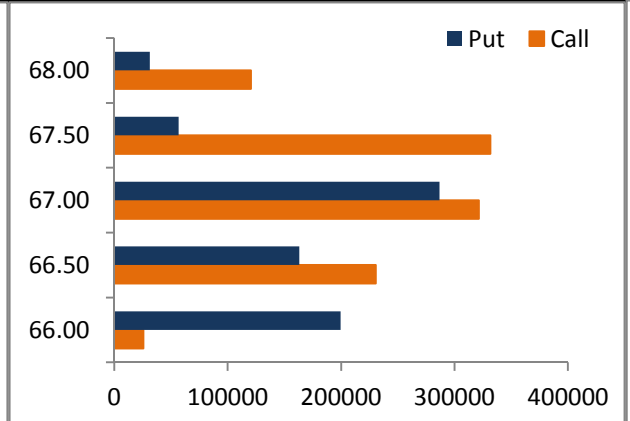
Action	Rs. (Crs)	\$ (Mil)
BUY	4200.83	628.28
SELL	4425.80	661.93
NET	-224.97	-33.65

Days to Expiry: 9

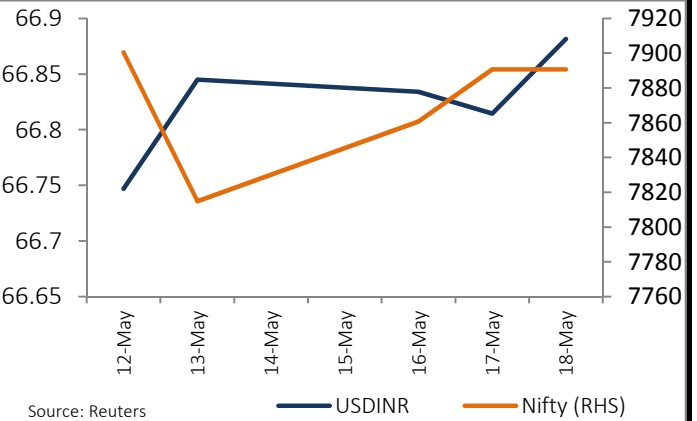
10 Yr Bonds Yields



Open Interest Distribution



Correlation Between Nifty v/s USDINR



Market Snapshot

INR continues to depreciate and could breach the barrier of 67 on the futures, as upbeat U.S. inflation data and hawkish comments from Fed officials revived expectations of a rate increase this year. We are witnessing a risk-off across Asian markets. Also, yesterday's close weaker than 66.85 levels has primed the rupee for a move towards 67.20. Sensex rose 0.5% yesterday, even as preliminary exchange data showed foreign investors sold local shares worth Rs.2.25 billion during the session.

Japan's first-quarter GDP expanded at its fastest pace in a year, growing 1.7% in the January-March period against a 1.7% contraction in the previous quarter. Dollar Index ended almost flat overnight and was last up 0.1%.

Consumer prices recorded their biggest increase in more than three years in April. While Dallas Fed President Robert Kaplan said that he would advocate for an interest-rate hike in upcoming meetings, while Atlanta Fed President Dennis Lockhart and San Francisco Fed President John Williams said the Fed could still raise interest rates two or three times this year. Odds of Fed rate move by September climb to 47% from 37%: Fed Fund Futures

Technical Chart



Support - Resistance for the day

Currency	Pivot	S1	S2	R1	R2
USDINR	66.94	66.86	66.73	67.07	67.15
EURINR	75.83	75.68	75.49	76.03	76.18
GBPINR	96.94	96.79	96.59	97.14	97.29
JPYINR	61.21	60.99	60.78	61.42	61.65

International Pairs

Currency	Open	High	Low	Close	% chg
Dollar Index	94.58	94.79	94.53	94.77	-0.24%
Euro	1.1311	1.1325	1.1278	1.1278	0.29%
Pound	1.4458	1.4464	1.4430	1.4431	0.21%
Yen	109.12	109.37	108.70	109.25	-0.12%

Economic Data

Today	Currency	Expected	Previous	Yesterday	Currency	Actual	Previous
Claimant Count Change (Apr)	GBP	4.3K	6.7K	Capacity Utilization (MoM)	JPY	3.2%	-5.4%
Unemployment Rate (Mar)	GBP	5.1%	5.1%	IP (MoM) (Mar)	JPY	3.8%	3.6%
CPI (YoY) (Apr)	EUR	-0.2%	-0.2%	CPI (MoM) (Apr)	GBP	0.1%	0.4%
Crude Oil Inventories	USD	-2.833M	-3.410M	Trade Balance (Mar)	EUR	28.6B	19.0B

Forward Market (OTC/ Interbank)

Period	Forward	Future	NDF
1- Month	67.2615	66.9925	67.2365
3-Month	67.9665	67.6925	67.8615
6-Month	69.0715	68.7500	68.8615
1-Year	71.0490	70.7000	70.8315

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