

May 20th, 2016

Currency Report



Currency Futures (NSE)

| Currency | Expiry | Spot | Open | High | Low | Close | % chg | OI | % Chg in OI |
|----------|--------|-----------|---------|---------|---------|---------|--------|---------|-------------|
| USDINR | May | 67.3942 | 67.5200 | 67.5975 | 67.3875 | 67.5625 | 0.16% | 1754044 | 10.5% |
| EURINR | May | 75.6840 | 75.7000 | 75.9225 | 75.5425 | 75.8300 | 0.24% | 61783 | -7.5% |
| GBPINR | May | 97.7490 | 98.5000 | 98.5925 | 98.2200 | 98.4500 | -0.20% | 46277 | -16.6% |
| JPYINR | May | 6139.0200 | 61.4500 | 61.4500 | 61.2125 | 61.2400 | -0.36% | 25072 | 0.5% |

Trade Sheet:
Theta Strategy: Sell 66.75 CE & PE At 0.66, SL 0.87, Tgt 0.29 - Exit
Theta Strategy: Sell 67 CE & PE At 0.43, SL 0.60, Tgt 0.13 - SL Hit

Option Monitor

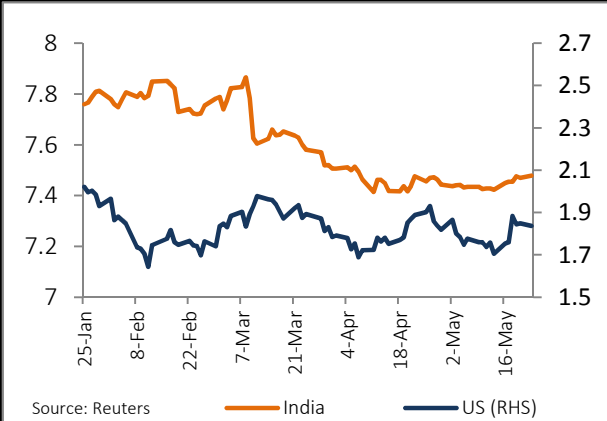
| Call | | | | | Strike Price | Put | | | | |
|------|-------------|--------|--------|---------|--------------|---------|--------|--------|-------------|-------|
| IV | % Chg in OI | OI | Volume | Premium | | Premium | Volume | OI | % Chg in OI | IV |
| 8.88 | -6.58% | 186682 | 42301 | 1.0850 | 66.50 | 0.0050 | 86958 | 155209 | 1.98% | 5.75 |
| 5.22 | -5.99% | 286762 | 71439 | 0.5775 | 67.00 | 0.0250 | 306706 | 257724 | -16.38% | 4.86 |
| 4.92 | 0.44% | 326974 | 223461 | 0.2075 | 67.50 | 0.1600 | 161729 | 124932 | 4.47% | 4.89 |
| 5.25 | 1.13% | 106283 | 140895 | 0.0475 | 68.00 | 0.4875 | 5840 | 28987 | -1.16% | 4.69 |
| 5.62 | -1.91% | 164688 | 28688 | 0.0075 | 68.50 | 1.0800 | 10 | 1242 | -0.08% | 12.08 |

FII Activity

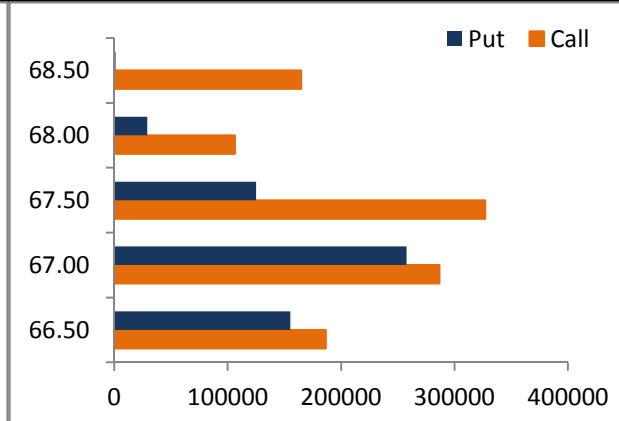
| Action | Rs. (Crs) | \$ (Mil) |
|--------|-----------|----------|
| BUY | 2997.75 | 448.09 |
| SELL | 3741.61 | 559.28 |
| NET | -743.86 | -111.19 |

Days to Expiry: 4

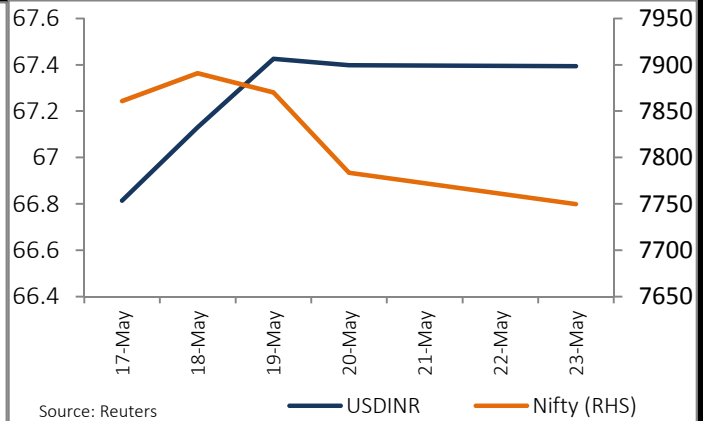
10 Yr Bonds Yields



Open Interest Distribution



Correlation Between Nifty v/s USDINR



Market Snapshot

Rupee saw some sharp depreciation during the weekend, but will edge higher against the U.S. dollar, as the dollar slipped against the yen after Japan reported better-than-expected trade data for April. Broad weakness in the dollar should give the rupee an ever-so-slight boost at open, but whether it will manage to hold on to gains remains doubtful. We can expect month-end demand to start trickling in, which could put pressure on the rupee.

Dollar index was down 0.14% as the yen rose 0.35% after Japan's exports fell by 10% in April compared with the same month last year. Imports plunged 23%, putting the trade balance at a 823bn yen (\$7.5bn, £5.2bn) surplus. Probability for a June rate hike at 30%: CME Group's FedWatch.

A Group of 7 finance ministers' meeting over the weekend ended with the US issuing Japan a warning against intervention to weaken the yen.

| Technical Chart | | | | | | Support - Resistance for the day | | | | | |
|---------------------|----------|----------|----------|----------------------------|----------|----------------------------------|----------|---------------------------------|---------|---------|---------|
| | | | | | | Currency | Pivot | S1 | S2 | R1 | R2 |
| | | | | | | USDINR | 67.52 | 67.43 | 67.31 | 67.64 | 67.73 |
| | | | | | | EURINR | 75.77 | 75.61 | 75.39 | 75.99 | 76.15 |
| | | | | | | GBPINR | 98.42 | 98.25 | 98.05 | 98.62 | 98.79 |
| | | | | | | JPYINR | 61.30 | 61.15 | 61.06 | 61.39 | 61.54 |
| International Pairs | | | | | | Currency | Open | High | Low | Close | % chg |
| | | | | | | Dollar Index | 95.31 | 95.32 | 95.17 | 95.21 | 0.10% |
| | | | | | | Euro | 1.1215 | 1.1232 | 1.1204 | 1.1230 | -0.07% |
| | | | | | | Pound | 1.4503 | 1.4508 | 1.4484 | 1.4504 | -0.03% |
| | | | | | | Yen | 110.08 | 110.23 | 109.61 | 109.74 | 0.36% |
| Economic Data | | | | | | | | Forward Market (OTC/ Interbank) | | | |
| Today | Currency | Expected | Previous | Yesterday | Currency | Actual | Previous | Period | Forward | Future | NDF |
| Manufacturing PMI | EZ | 51.90 | 51.17 | CBI Industrial Trend Order | UK | -800.0% | -1100.0% | 1- Month | 67.7630 | 67.5625 | 67.8042 |
| Manufacturing PMI | US | 51.00 | 50.80 | FOMC Member Tarullo Sp | US | - | - | 3-Month | 68.4767 | 68.2425 | 68.3942 |
| 0 | 0 | 0.00 | 0.00 | Existing Home Sales(MoM) | US | 1.7% | 5.1% | 6-Month | 69.5567 | 69.2225 | 69.4142 |
| 0 | 0 | 0.00 | 0.00 | Existing Home Sales (Apr) | US | 5.40M | 5.33M | 1-Year | 71.5167 | 71.2225 | 71.3842 |

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