

April 15, 2019

## Daily Currency outlook

Recommendation in the report						
Currency pair	Contract	Action	Price	Target	Stoploss	Duration
US\$INR	April futures	Buy	69.17	69.40	69.01	1 day

### Other Product offerings

Monthly Currency and  
Thematic reports

Currency	Action
US\$INR	Buy

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## Spot Currency

Currency	Close	Pvs. Close	% Change
US\$INR	69.18	68.93	0.36
Dollar index	96.97	97.18	-0.21
EUR-US\$	1.1299	1.1253	0.41
GBP-US\$	1.3074	1.3058	0.12
US\$-JPY	112.02	111.66	0.32
AUD-US\$	0.7173	0.7124	0.69
US\$-CHF	1.0024	1.0030	-0.06

## Global Equity Indices

Indices	Close	Pvs. Close	% Change
Dow Jones	26412	26143	1.03
Nasdaq	7628	7595	0.44
FTSE	7437	7418	0.26
DAX	12000	11935	0.54
HangSang	30225	29910	1.05
Nikkei	22140	21871	1.23
SGX Nifty	11683	11692	-0.07

\*Asian equity indices at 8.00 am

Source: Bloomberg, ICICI Direct Research

- The rupee weakened on Friday amid strength in the US\$ as well as rising oil prices. It is expected to open slightly stronger today while caution ahead of general elections as well as firm oil prices would cap appreciation
- The US dollar ended lower on Friday as a bounce in the Euro as well as GBP supported risk on mode. Brexit delay has created uncertainty although it has alleviated the no-deal exit risk as of now. Going forward, the direction of US-China trade talks as well as incoming economic data, especially from EU, are likely to be key monitorables

- Equity benchmarks ended marginally lower after witnessing a pullback post the initial slump. The Nifty lost 22 points or 0.2% over the week to settle at 11643
- Broader markets saw a mixed bag performance as Nifty midcap lost 0.4% while small cap rose 0.9%

## Benchmark yield

	Close	Pvs. Close	% Change
India 10-yr	7.41	7.37	0.47
US 10-yr	2.57	2.50	2.73
Eur 10-yr	0.06	-0.01	-711.11
UK 10-yr	1.21	1.15	5.39
JPY 10-yr	-0.06	-0.06	1.82

## Commodities

	Close	pvs close	% change
Gold	1290	1293	-0.16
Copper	294.6	288.7	2.04
Brent	71.6	70.8	1.02

## FII Activity

Segment	Purchase	Sell	Net ₹ crores
Equity	5258	4242	1016
Debt	603	1426	-823

- Sovereign benchmark treasury yields rose to 7.41% on Friday. Also, FII flows in April have been negative till date against huge inflows seen in March
- US treasury yields climbed 7 bps to end at 2.57%. Hopes of potentially positive directions of US-China trade talks is keeping US yields supported while dovish Fed minutes would keep a sharp rise in check

- Gold extended losses amid a climb in US yields in the backdrop of a firmer US\$. A move in the dollar could be a key trigger for gold in the near term
- Oil made a fresh 2019 high on Friday before settling with gains of 1%. US weekly inventory report showed additions of almost 7.02 mb against previous week's additions of 7.2 mb

- Foreign institutional investors (FII) were net buyers to the tune of ₹ 193 crore on April 11, 2019
- FIIs have been net sellers of more than ₹ 3462 crore in April 2019

## Currency futures on NSE

Contracts	LTP	chnng (%)	OI	Vol	(% ) change	
					OI	Vol
April	69.35	0.40	1535325	2095735	1.58	20.14
May	69.65	0.40	579810	297476	4.58	7.52
Apr-May	-0.30	-	-	1798259	-	85.81
May-June	-0.26	-	-	250165	-	84.10

- The dollar-rupee April contract on the NSE was at 69.35 in the previous session. April contract open interest increased 1.58% in the previous session
- We expect the US\$INR to find supports at lower levels. Utilise the downsides in the pair to initiate long positions

## Pivot levels

Futures	S2	S1	Pivot	R1	R2
US\$INR (Apr)	68.97	69.16	69.36	69.55	69.75
US\$INR (May)	69.14	69.39	69.62	69.88	70.11
EURINR (Apr)	78.05	78.34	78.50	78.79	78.95
EURINR (May)	78.52	78.80	78.97	79.25	79.42
GBPINR (Apr)	90.40	90.63	90.78	91.01	91.16
GBPINR (May)	90.86	91.10	91.27	91.51	91.68
JPYINR (Apr)	61.69	61.86	62.09	62.26	62.48
JPYINR (May)	62.16	62.29	62.48	62.61	62.80

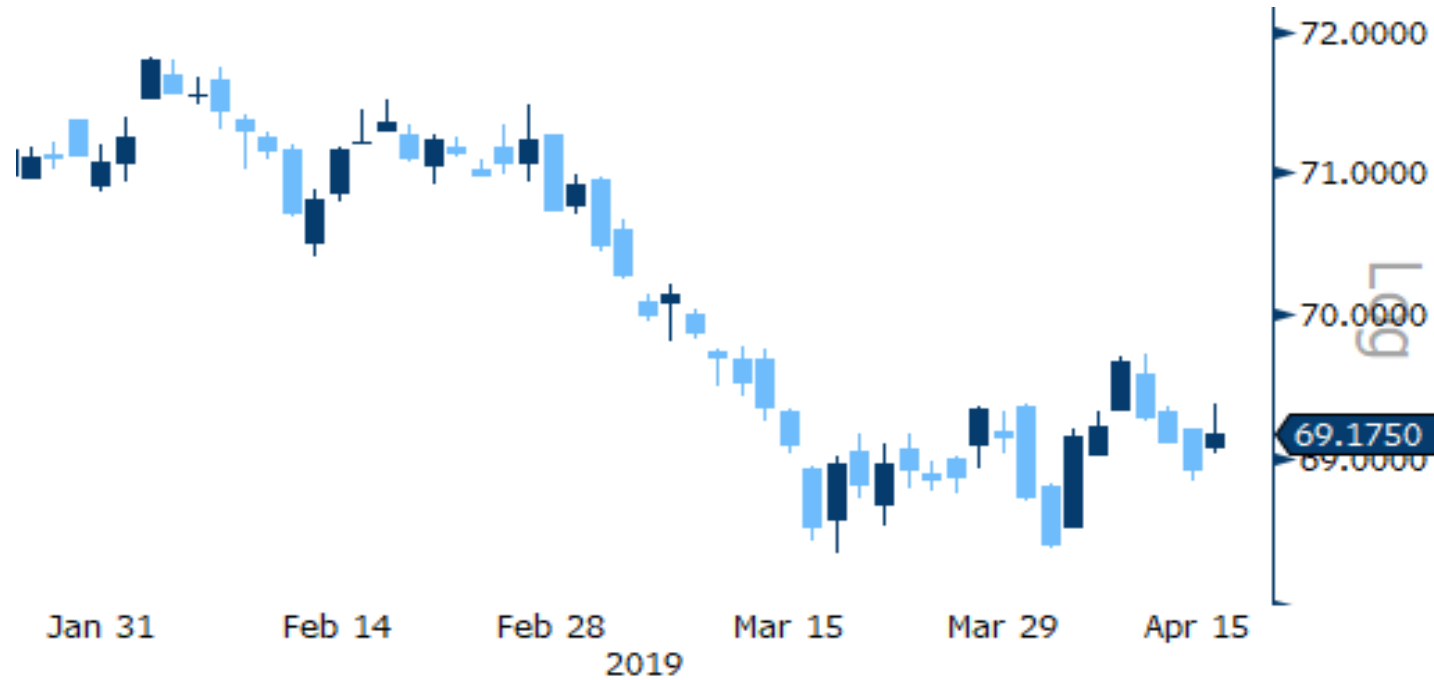
## US\$INR Strategy

### US\$INR April futures contract (NSE)

Buy US\$ in the range of 69.13-69.20	Market Lot: US\$1000
Target: 69.35 / 69.45	Stop Loss: 69.01
Support	Resistance
S1/ S2: 69.20 / 69.05	R1/R2:69.40 /69.55

\*Recommendation initiation message shall be broadcasted on iclick2gain at relevant prices

## US\$INR Spot



INR Curncy (Indian Rupee Spot) US\$INR Spot Daily 25MAR2018-15APR2019 Copyright© 2019 Bloomberg Finance L.P. 15-Apr-2019 08:03:36

### Strategy Update

Date	Currency pair	Strategy	Rec.	Target	SL	(P/L)*	Comment
12-Apr-19	US\$INR	Buy US\$INR	69.48	69.65	69.33	-150	Exit in loss

# Open Recommendations



Date	Currency	Product	Strategy	Recommendation price	Target	Stoploss	Time frame
11/4/2019	US\$INR	Monthly currency	Buy US\$INR April future	69.10	70.10	68.30	Till April expiry

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