

INR Pairs (Trading Range for the Day – Dec Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	75.13 (-0.24)	85.23 (-0.44)	100.14 (-0.49)	66.30 (-0.50)
Intraday View	Range bound	Range bound	Downward	Upward
Technical Range	75.00-75.40	85.00-85.45	99.75-100.30	66.25-66.75

Important Indicators		
	DXY	BRENT CRUDE
LTP	95.95	69.73
1W back	96.78	82.24
1M back	94.09	84.12

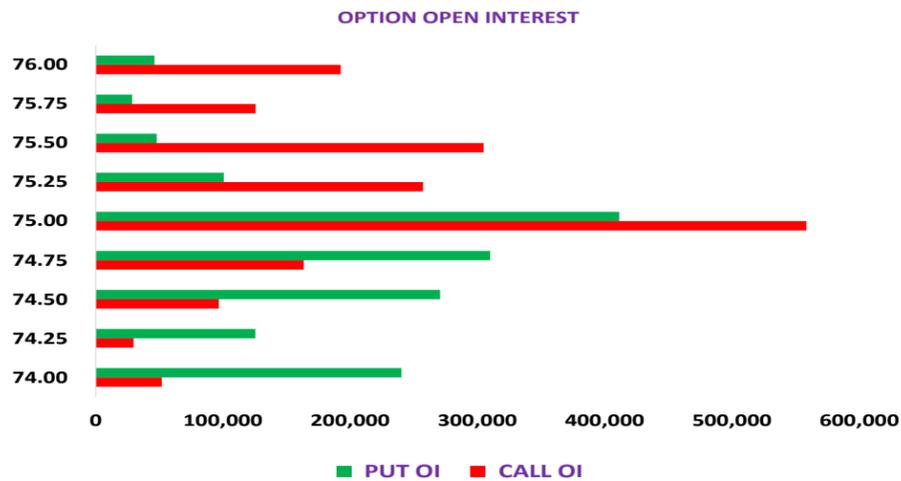


USDINR Futures (Dec)
USDINR is stuck within a range of 75.00 and 75.60 on December futures as options positioning, lack of dominant triggers and uncertainty over new COVID strain keeps prices choppy within this price levels. Over the past 18-months, USDINR has failed to break past 75.50/60 levels. This is turning out to be the longest consolidation since 2008. Generally, such range bound price action devolve into a strong trend. But for USDINR to sustainably breakout there needs to dominant risk of themes and that is moment, whether its Fed or new COVID strain, it lacks that kind of punch. However, we need to monitor the threat posed by Omicron and whether things escalate or not.

GBPINR Futures (Dec)
GBP has week weakening more against Rupee and USD over the past few days than Euro, this could be due to the high volatility and risk aversion in global equity markets. GBPINR can continue to face two volatility and hence it is advisable to stick to intraday trades. Support is near 99.75 and 99.50 and resistance near 100.25 and 100.50 on December futures.

EURINR Futures (Dec)
EuroINR will be a play on two factors: (i) monetary policy divergence between US Fed and ECB (ii) risk on and risk off themes. This will ensure volatility to be high and therefore it is advisable to stick to intra-day positions, and not carry overnight trades. EURINR being a carry currency, it tends to benefit when there is risk aversion. However, monetary policy divergence is also theme to reckon especially with Fed on a path towards faster taper. Therefore, volatility will be high.

JPYINR Futures (Dec)
JPYINR remains a play on risk sentiments and USDINR. On days, when global equity markets are under pressure and USDINR climbing higher, then JPYINR becomes a lucrative long bet as the pair runs up at a fast pace. Reverse is true on days of risk on rally in global equity markets and decline in USDINR. With the risk on and risk off themes switching fast, it is advisable to stick to intraday trades in JPYINR.



	Spot	Futures	
		Weekly Expiry 03-Dec-21	Monthly Expiry 29-Dec-21
USDINR LTP / (Previous Day)	74.90 / (75.14)	74.95 / (75.19)	75.13 / (75.37)
ATM Vols (in %)	75.00	4.20%	4.50%
ATM Straddle Price		0.19	0.75

Historical Volatility	
5 days Rolling	4.77%
21 days Rolling	4.11%

What Options Open Interest (OI) Saying?

The zone in play is 75.00 and 75.50 on December futures with large OI outstanding in 75 put and 75.50 call options. IVs can continue to remain subdued due to lack of trend in USDINR futures.

Disclaimer & Contact:

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