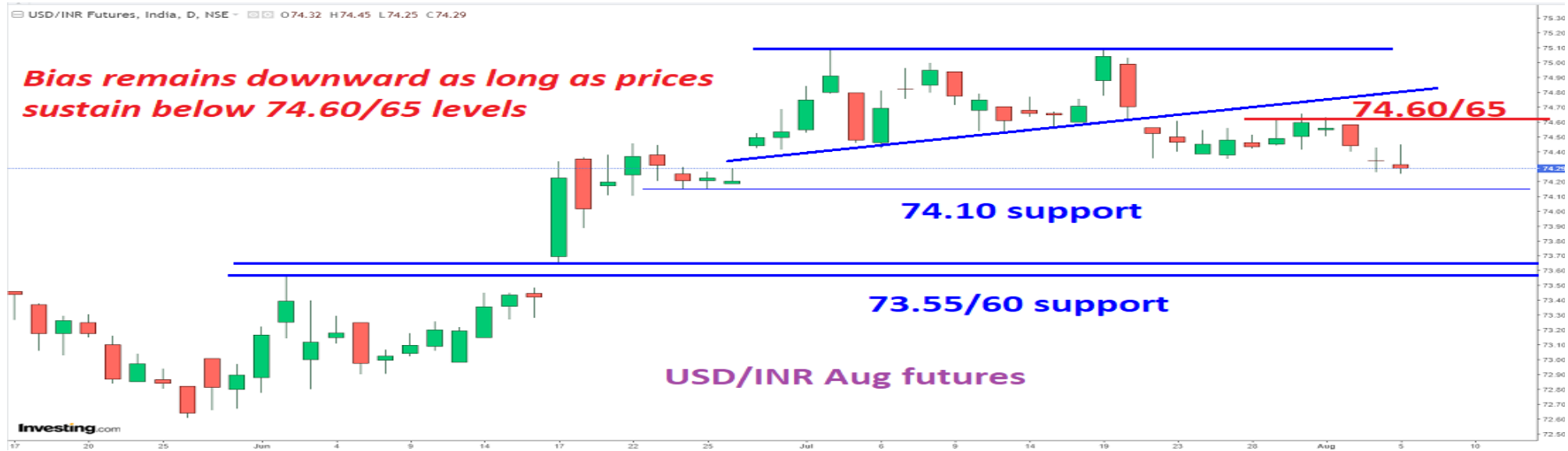


INR Pairs (Trading Range for the Day – Aug Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.28 (-0.05)	88.12 (-0.09)	103.41 (-0.10)	67.89 (-0.24)
Intraday View	Downward	Downward	Rangebound	Downward
Technical Range	74.00-74.40	87.55-88.05	103.05-103.45	67.35-67.75

Important Indicators		
	DXY	OIL
LTP	92.34	71.41
1W back	92.09	75.16
1M back	92.54	74.93



USDINR Futures (Aug)

The global backdrop remains conducive for Rupee to appreciate further and USDINR to decline. Risk on mood prevails in the equity markets with US Dollar Index and oil prices caught within a range. However, lack of dominant triggers is keeping volatility in currency and interest space quite low. At the same time, RBI remains a major buyer of \$. Today, RBI monetary policy, though expected to be status quo may inject some volatility. Post our markets close, US jobs report will bring volatility for Monday morning. **Bias continues to be of a slow drift downward. Sell on rise with SL above 74.55 on Aug fut, on a closing basis. Target 73.70/50.**

GBPINR Futures (Aug)

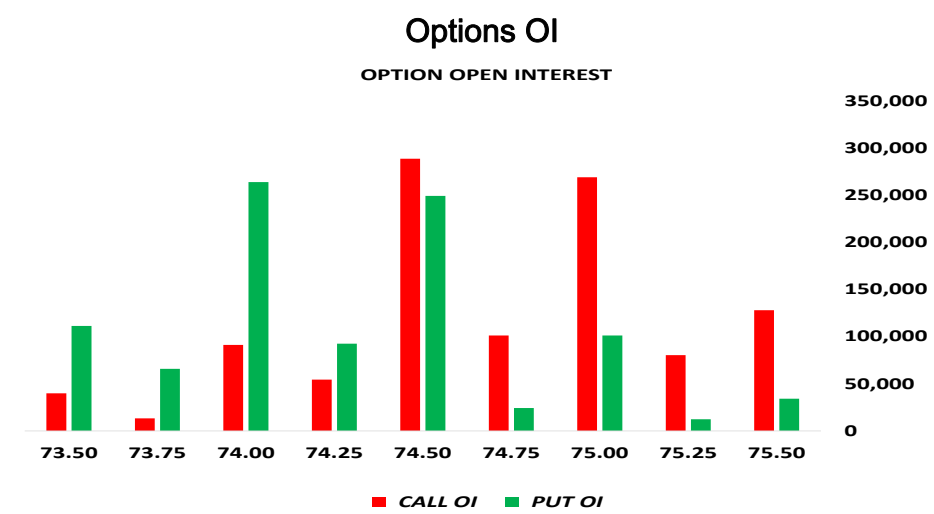
UK central bank's monetary policy was mostly a non-event as vote split and the stance were in line with expectation. Inflation expectation has been upgraded. All in all, GBPINR may continue to oscillate within a range of 102.40/102.80 & 104.10/104.40 for the medium term.

EURINR Futures (Aug)

EURINR may remain under selling pressure as traders await US jobs report tonight. Whisper is for a job growth to be near 1 million for the month of July. A strong data can send EURINR back down, near 87.50 levels. **Positional view remains of a sell on rise with 88.70/89.00 zone acting a strong resistance. Support 87.70 and 87.50 levels.**

JPYINR Futures (Aug)

JPYINR Aug futures closed down by 24 at 67.89. Global stock trends and US bond yields continue to be the driver of JPYINR. Rebound in US Dollar index and US bond yields will pull JPYINR lower. **Bias remains downward. JPYINR can test 67.30/40 levels.**



	Weekly Expiry	Monthly Expiry
	6-Aug	27-Aug
USDINR Futures (LTP)	74.19	74.28
ATM Vols (IV) (%)	4.00	4.20
ATM Straddle Price	0.34	0.59

Historical Volatility	
5 days	1.83%
21 days	2.50%

What Options Open Interest (OI) Saying?

With volatility, historical as well as implied, being at record lows, selling interested in OTM options remain muted due to low premiums. The premium of implied volatility over realized is indicative of market expecting volatility to pick up. **At an implied volatility of 4/4.2%, option market is positioned for nearly a rupee kind of movement in the underlying over 1 month and 40 paise volatility over 1 week.**

Disclaimer & Contact:

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