

INR Pairs (Trading Range for the Day – Oct Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.86 (-0.31)	86.65 (-0.14)	101.90 (-0.12)	67.28 (-0.16)
Intraday View	Rangebound	Rangebound	Upward	Rangebound
Technical Range	74.75-75.20	86.40-86.90	101.85-102.45	66.80-67.30

Important Indicators		
	DXY	Brent Crude
LTP	94.23	83.02
1W back	94.24	79.14
1M back	92.52	72.66

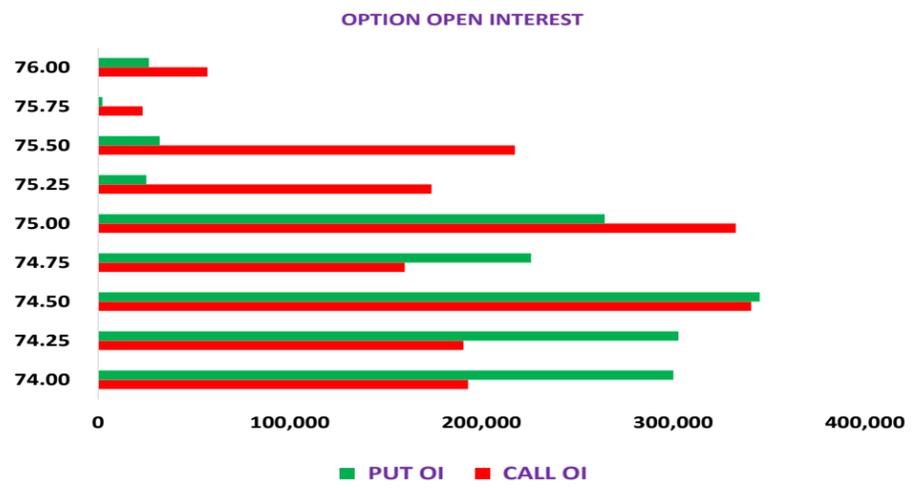


**USDINR Futures (Oct)**  
USDINR is being well supported by the strength in oil prices and rising US bond yields. Inflationary regime and hawkish US central bank are a positive combination for USDINR. Focus will be on RBI meeting. Repo rates should remain untouched, but attention will be on liquidity. With 12 lakh crore INR liquidity, traders would like to see RBI's exit plan. There are many options on table, but the central bank has to strike a delicate balance between accommodative stance and unwinding emergency measures. **USDINR remains a buy on decline with SL below 74.70 on a daily closing basis on Oct futures.**

**GBPINR Futures (Oct)**  
A rising equity markets, a relatively hawkish UK central bank over ECB, makes GBPINR a better proxy play on USDINR uptrend. Tonight US jobs report (NFP) will have a bearing on GBPINR. **Buy on decline is advised. Bias remains flat to mildly upward.**

**EURINR Futures (Oct)**  
ECB meeting minutes maintained their dovish tone. Inflation is transitory is now the accepted phrase across central banks. Anything cyclical, if given long enough timeline, will prove transitory. **Therefore, EURINR will be kept in range by the weak EURUSD and strong USDINR.**

**JPYINR Futures (Oct)**  
With US treasury bond yields at the highest level since mid-June, JPYINR will be under pressure. However, upward trend in USDINR will offset that. **Therefore, JPYINR may continue to oscillate within a broad range of 66.50 and 67.50 for the time being.**



	Spot	Futures	
		Weekly Expiry 14-Oct-21	Monthly Expiry 27-Oct-21
USDINR LTP / (Previous Day)	74.78 / (74.97)	74.80 / (75.11)	74.87 / (75.17)
ATM Vols (in %)	75.00	5.30%	4.70%
ATM Straddle Price		0.47	0.64

Historical Volatility	
5 days Rolling	5.97%
21 days Rolling	3.99%

**What Options Open Interest (OI) Saying?**

Implied volatility has jumped due to the short covering move above 75.00 levels. If USDINR continues to move higher, IVs can increase even more due to short covering demand from option sellers. Option sellers seems to be shifting their OI from 75.00 to 75.50 strike call options.

**Disclaimer & Contact:**

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