

INR Pairs (Trading Range for the Day – Nov Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.56 (0.05)	85.58 (-0.60)	100.01 (-0.73)	65.50 (-0.37)
Intraday View	Range bound	Downward	Downward	Downward
Technical Range	74.30-74.70	84.90-85.40	99.20-99.70	64.90-65.40

Important Indicators		
	DXY	Brent Crude
LTP	95.25	82.26
1W back	94.21	82.32
1M back	94.51	83.31



USDINR Futures (Nov)

There is a clear cut wedge between \$ against developed market currencies and emerging market currencies. US is sporting a better health report than other DM economies and that is pushing US Dollar index higher or in other words, USD higher against DM currencies. However, better global growth prospects and improved outlook over trade is keeping emerging market currencies strong against the USD. As a result, USDINR lacks any dominant factor that can trigger a trend. Therefore, we expect, **USDINR to oscillate within a range of 74 and 75 for the time being. One can buy near 74 levels with SL below 74 on a daily closing basis in Nov futures. Also focus on shorting 74/75 option strangles, 26th Nov expiry, with adequate stops. Bias remains of a range.**

GBPINR Futures (Nov)

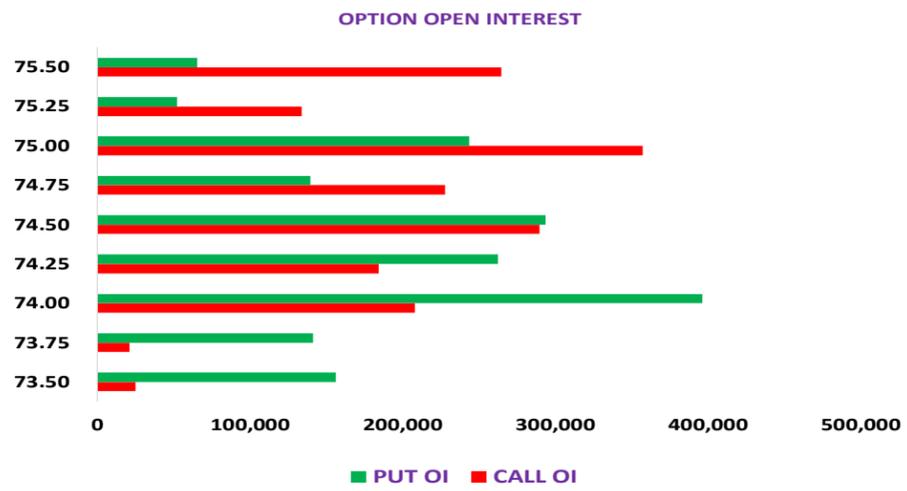
GBPINR is facing the heat of a strong DXY and flat USDINR. EU has threatened to abandon the trade deal if UK make unilateral wholesale changes to the Northern Ireland protocol. Add to the fact that BoE remains on sidelines on policy tightening. Therefore, GBPINR can continue to decline. **Sell on rise. Bias remains downward.**

EURINR Futures (Nov)

The clear wedge between DM currencies and EM currencies will continue to drive EURINR lower. US is sporting a better growth prospect than Eurozone and Fed remains committed to policy normalization, whereas ECB is far from it. These factors can continue to push EURINR lower. Euro carry trade is a profitable strategy. **Sell on rise. Bias remains downward.**

JPYINR Futures (Nov)

JPYINR may continue to decline as higher US yields, rising DXY and risk on mood in global equities trigger carry trade related selling in the pair. We would advise selling on rise. **Bias remains downward** as long as the pair is not closing above 66 levels on November futures.



	Spot	Futures	
		Weekly Expiry 18-Nov-21	Monthly Expiry 26-Nov-21
USDINR LTP / (Previous Day)	74.51 / (74.36)	74.51 / (74.45)	74.56 / (74.51)
ATM Vols (in %)	74.50	4.00%	4.20%
ATM Straddle Price		0.32	0.50

Historical Volatility	
5 days Rolling	6.51%
21 days Rolling	4.67%

What Options Open Interest (OI) Saying?

It seems the 74/75 range sellers may have the last laugh as USDINR poised to remain within the range for the time being. This will ensure that IVs continue to melt, it is already down to 4% levels.

Disclaimer & Contact:

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