

INR Pairs (Trading Range for the Day – Oct Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	75.49 (-0.11)	87.27 (-0.08)	102.80 (-0.10)	66.48 (-0.24)
Intraday View	Rangebound	Rangebound	Upward	Rangebound
Technical Range	75.10-75.55	87.10-87.55	102.70-103.25	66.15-66.55

Important Indicators		
	DXY	Brent Crude
LTP	94.03	83.39
1W back	94.19	82.44
1M back	92.52	73.92

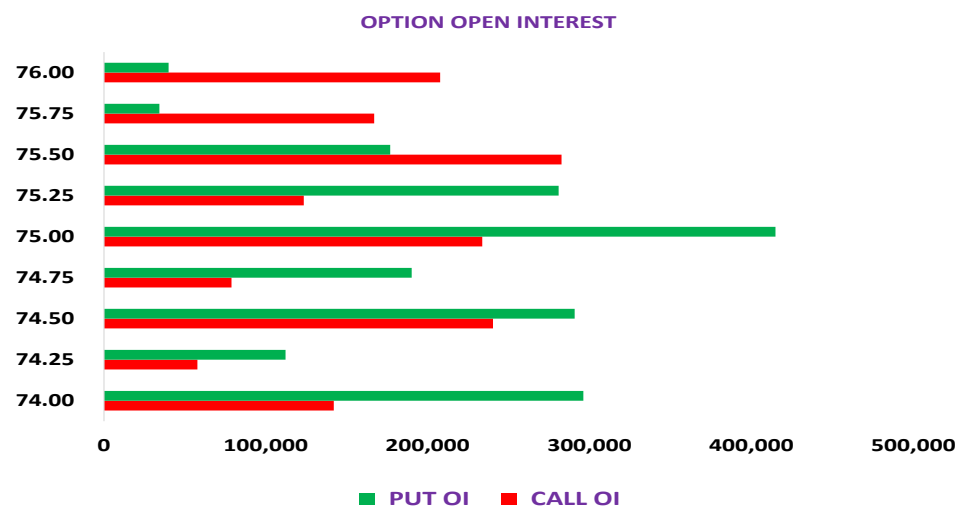


USDINR Futures (Oct) USDINR going to be dragged down today by weakness in the US Dollar Index & USDCNH and rise in equity markets. Long weekend may weigh on the pair as well. We need to keep a watch on price action around support zone of 75.20/25 levels on Oct futures. If prices sustain below 75.20, then it can test 75.00 and even 74.60 levels as well. Near term resistance is near 75.62. **Play the range of 75.20 and 75.62, as long as it holds.**

GBPINR Futures (Oct) GBPINR remains well supported by a weak DXY, rising equity markets and rangebound USDINR. The recent hawkish comments from BoE members should provide strong momentum to GBP. **We remain bullish on GBPINR and advise buy on decline with positional SL below 102.00.**

EURINR Futures (Oct) Downgrade of German GDP forecast and drop in Eurozone industrial production did not dent the rise in Euro overnight, thanks to a drop in real yields in the US Dollar, post sharply higher CPI release. **EURINR may remain ranged due to offsetting impact of weak USDINR and strong EURUSD.**

JPYINR Futures (Oct) JPYINR is being dragged by firm US treasury yields. Last night, US FOMC minutes quite expectedly laid out of the plan for a reduction in asset purchases. This will add further pressure on JPYINR. However, the pair is expected find strong support near 66.00/66.20 zone on Oct futures.



	Spot	Futures	
		Weekly Expiry 22-Oct-21	Monthly Expiry 27-Oct-21
USDINR LTP / (Previous Day)	75.36 / (75.51)	75.47 / (75.57)	75.49 / (75.59)
ATM Vols (in %)		4.65%	4.70%
ATM Straddle Price	75.50	0.44	0.55

Historical Volatility	
5 days Rolling	5.07%
21 days Rolling	4.26%

What Options Open Interest (OI) Saying?

For implied volatilities for ATM month end options to sustainably cross 5% level would require far bigger up move in USDINR futures. OI is aggregating in the 76.00 call options and 75.00 strike put options, indicating that as the range.

Disclaimer & Contact:

Reach us at: ks.currency-research@kotak.com Disclaimer: <https://bit.ly/longdisc>