

INR Pairs (Trading Range for the Day – Oct Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	75.34 (-0.14)	87.47 (0.20)	103.30 (0.48)	66.48 (0.01)
Intraday View	Rangebound	Rangebound	Rangebound	Downward
Technical Range	74.95-75.30	86.80-87.25	102.95-103.35	65.60-66.05

Important Indicators		
	DXY	Brent Crude
LTP	94.04	85.89
1W back	94.36	83.66
1M back	93.22	74.22



**USDINR Futures (Oct)**  
Last week we compared the up move in USDINR to a triple engine jet flying. The most powerful engine being a risk-off in equities, triggering unwind of carry trades and FPI outflows. Second and third most powerful are trend of US Dollar overseas and then oil prices. Out of the three, only oil was the one who was supporting USDINR and still is. But the other two are working in reverse. Hence, USDINR is expected to pullback and test support near 74.80/85 levels on spot and 74.85/90 on Oct futures. **A near term range: 74.90-75.30 may form on USDINR Oct futures.**

**GBPINR Futures (Oct)**  
GBPINR has benefitted from a hawkish UK central bank members and rising global equity markets. However, GBPINR is expected to run into strong resistance near 103.50. We would wait for a pullback, can be as deep as 102.30/50 levels, where longs can be considered.

**EURINR Futures (Oct)**  
Divergence between economic momentum and central bank stance are very strong between US and Eurozone. Former should do well on both counts over the next 3/4 months, which can benefit USD. However, as long as risk on rally remains dominant in equity markets, EURUSD would also remain supported. Thereby we could see a **range develop in EURINR between 86.30 and 87.90 levels over the near term.**

**JPYINR Futures (Oct)**  
JPYINR Oct futures is expected to breach the 2021 lows near 66.10 levels thanks to the relentless rally in USDJPY and expected decline in USDINR. If USDJPY can make push for 115 levels, then JPYINR can test next support near 65.30 levels. Resistance is near 66.20/30 zone.



	Spot	Futures	
		Weekly Expiry 22-Oct-21	Monthly Expiry 27-Oct-21
USDINR LTP / (Previous Day)	75.25 / (75.36)	75.34 / (75.47)	75.34 / (75.49)
ATM Vols (in %)		4.75%	4.45%
ATM Straddle Price	<b>75.25</b>	0.40	0.48

Historical Volatility	
5 days Rolling	4.64%
21 days Rolling	4.17%

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

With USDINR expected to drift below 75.00 levels, implied volatility can decline as well. As expected, IVs have not been able to sustain above 5% due to lack of upside follow through in USDINR. OI in 75 strike OTM put is high and indicates strong support, around those levels.

### Disclaimer & Contact:

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