

INR Pairs (Trading Range for the Day – Oct Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	75.41 (0.07)	87.42 (-0.08)	103.53 (0.22)	65.99 (-0.50)
Intraday View	Rangebound	Rangebound	Upward	Downward
Technical Range	74.90-75.30	87.25-87.65	103.50-103.95	65.35-65.90

Important Indicators		
	DXY	Brent Crude
LTP	93.76	84.44
1W back	94.00	83.33
1M back	93.22	74.22

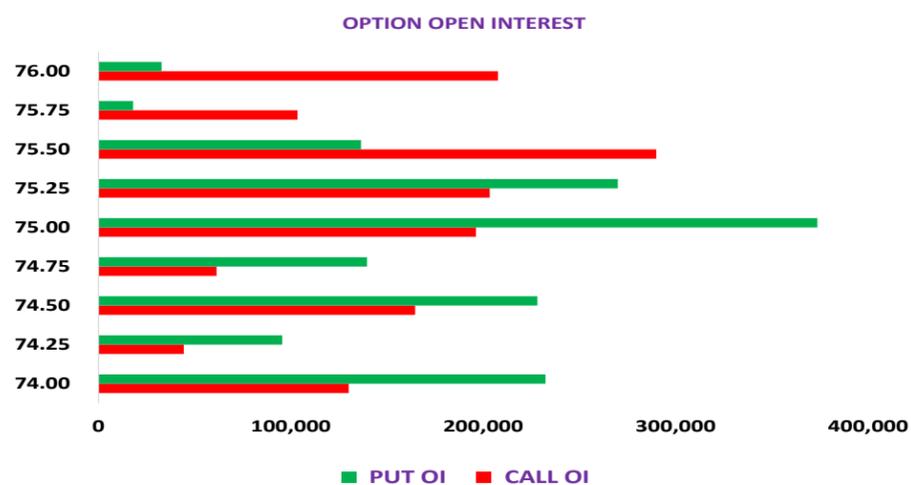


USDINR Futures (Oct)
Indian Rupee continues to be one of the weakest amongst the major currencies globally, possibly due to the rise in oil prices. However, with US Dollar Index & USDCNH, both coming under selling pressure, USDINR may find it difficult to climb higher. It may so happen that USDINR may slip into a range between 74.85/90 and 75.50 for the time being, till oil price maintain their ascent. **One can buy on decline with SL below 75.90 on a daily closing basis on Oct futures. Resistance is near 75.50 levels.**

GBPINR Futures (Oct)
GBPINR futures are being lifted a combination of tailwinds: (i) hawkish comments from central bank members which is pushing UK bond yields higher (ii) risk on sentiment in global equity markets. **Bias continues to be upward.** Buying on decline is advised with SL below 103.00 levels. Resistance near 104.20 & 104.50 levels.

EURINR Futures (Oct)
EURINR popped up on a risk on sentiment in global markets. Speculators are holding sizable long positions in USD and if that is unwound that a weaker US Dollar Index can keep EURINR supported. Today focus will be on speeches by 6 US central bank members and US Fed beige book, which reflects the economic growth momentum across US. **Bias remains of a rangebound activity.**

JPYINR Futures (Oct)
JPYINR will be under selling pressure due to a combo of negatives for JPY: (i) rising energy prices (ii) rising US bond yields. It has breached 52 weeks low and is vulnerable to a sell-off towards 65.00 level on futures. Sell on rise with SL above 66.20 on a daily closing basis.



	Spot	Futures	
		Weekly Expiry 22-Oct-21	Monthly Expiry 27-Oct-21
USDINR LTP / (Previous Day)	75.34 / (75.25)	75.40 / (75.32)	75.41 / (75.34)
ATM Vols (in %)	75.50	4.85%	4.90%
ATM Straddle Price		0.34	0.46

Historical Volatility	
5 days Rolling	4.47%
21 days Rolling	4.16%

What Options Open Interest (OI) Saying?

With USDINR futures drifting downward, IVs are expected to drift down as well. Direction of vols tends to have a positive relationship with direction in futures. OI in 75.00 strike put is large enough to offer strong support near that region: 74.90/75.00 levels. Resistance is marked by large OI in 75.50 call options.

0

Disclaimer & Contact:

Reach us at: ks.currency-research@kotak.com

Disclaimer: <https://bit.ly/longdisc>