



RISK

ON

OFF

FX INSIGHT- Binary markets...

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USD



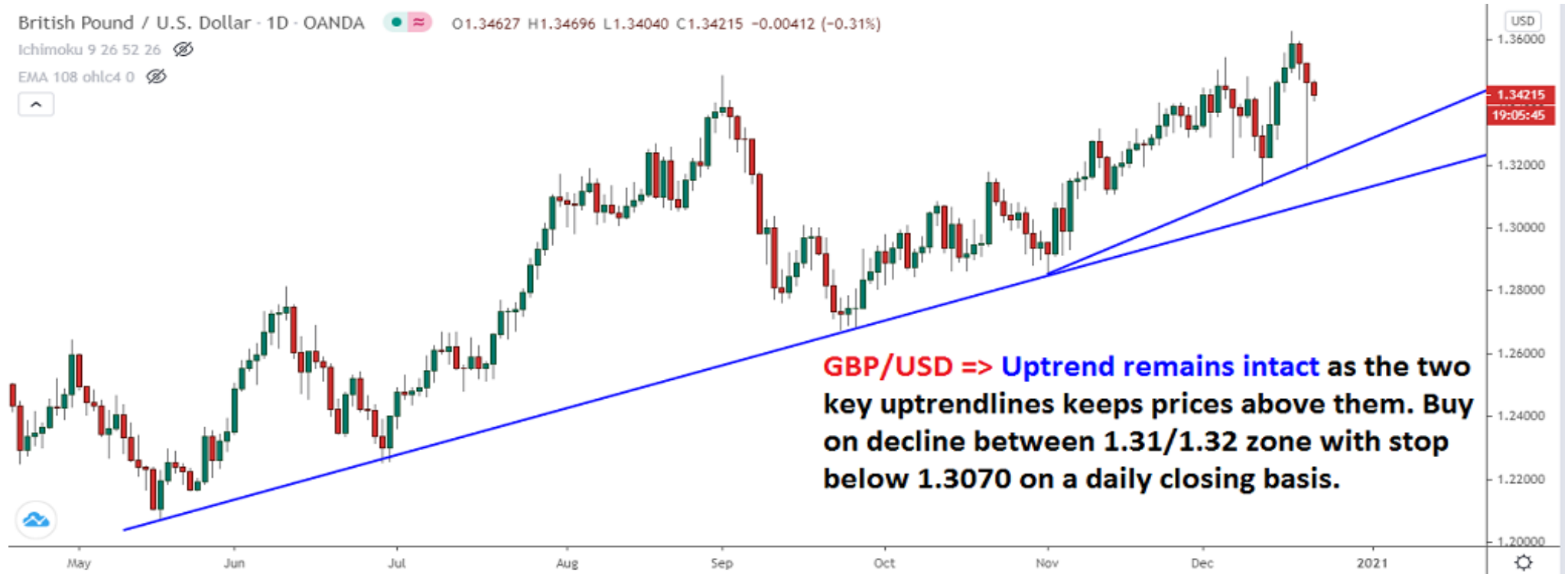
1. **USDINR may open lower, around 74 on December futures. Overnight US stocks recovered strongly to close flat. The hope that vaccines will be able to counter the new strain of COVID is boosting risk assets in the morning.**
2. **Primary trend remains DOWN as long as USDINR remains below 75.00 on spot. Sell on rise. Major support near 73.40 and 73.00 on spot. Focus on selling options to earn from low volatility.**

EURO



1. We are in a global holiday week with Christmas celebrations 48 hours away. Volumes dry up and volatility tends to decline. But this time, things are different due to the news about a new COVID strain. Having said that, **I would recommend to utilize the decline in Euro to enter fresh long positions as the macro theme remains negative for the US Dollar.**
2. For positional trade, EUR/INR remains a **buy on decline** with stop below 88.40 on a daily closing basis. Target 90.50 and then near 91.00 on Dec futures.

GBP



1. After GBP being whacked by the news of travel ban due to new COVID strain, it recovered strongly, on the back of twin positive news : **(i) UK has made a counter-offer to EU on fishing** in English waters, which is believed to be close to where EU demands are and that has raised hopes for a Brexit breakthrough before Dec 31st **(ii) According to some medical experts COVID vaccines are equipped to fight the new COVID strain.**
2. GBPINR bounced from our expected support zone near 97.40. **Buy on decline** remains the trade as long as GBPUSD holds above 1.31 levels which translates to 96.70 on GBPINR Dec futures.

JPY



1. For JPYINR to convincingly break above the horizontal range the risk off theme needs to be durable. A day or two of mood swing in financial markets may not be enough. Therefore, watch the risk off theme closely. If it shows signs of aggravating, go long in JPYINR.
2. JPYINR has played out our expected move by trading close to 71.80 levels overnight. Avoid fresh longs near 71.80 and wait for a pullback. Short sellers need to maintain stop above 72.20.



KEY LEVELS

Futures	SUPPORT 1	SUPPORT 2	RESISTANCE 1	RESISTANCE 2
USDINR	73.80	73.60	74.20	74.40
Futures	SUPPORT 1	SUPPORT 2	RESISTANCE 1	RESISTANCE 2
EURINR	90.20	89.70	90.65	91.00
Futures	SUPPORT 1	SUPPORT 2	RESISTANCE 1	RESISTANCE 2
GBPINR	98.85	98.50	99.50	99.85
Futures	SUPPORT 1	SUPPORT 2	RESISTANCE 1	RESISTANCE 2
JPYINR	71.30	71.00	71.70	72.00

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