

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR
USD/INR	70.82	-0.16%	-1.7%	-3%
EUR/INR	77.83	-0.08%	-2.9%	-10%
GBP/INR	87.99	-0.34%	-0.2%	-8%
JPY/INR	65.90	-0.08%	-3.0%	2%
EUR/USD	1.0990	-0.03%	-1.0%	-6%
GBP/USD	1.2426	-0.02%	1.7%	-5%
USD/JPY	107.53	-0.02%	1.3%	-5%
USD/CNH	7.11	0.05%	-0.7%	3%
10 YR YIELD- IN	6.76	0.01	0.18	(1.37)
10 YR YIELD- USA	1.71	(0.02)	0.17	(1.38)
GOLD (\$/Oz)	1,521	-0.1%	0%	27%
SILVER (\$/Oz)	18.57	-0.4%	5%	30%
BRENT CRUDE (\$/Brl)	64.48	-0.4%	9%	-21%
COPPER 3M (\$/Ton)	5778	-0.3%	3%	-9%
NIFTY	11636	0.3%	7.4%	6.1%
HANGSENG	26301	0.3%	0.5%	-4.4%
S&P 500	2992	0.0%	5.1%	2.5%
INR 1M FWD	0.28	0.02	0.02	0.00
INR 3M FWD	0.75	0.00	(0.01)	(0.09)
INR 12M FWD	3.11	(0.04)	0.11	(0.15)
USDINR 1 MONTH ATM IV	6.67	(0.02)	(0.83)	(1.67)
USDINR 3 MONTH ATM IV	6.65	0.01	(0.54)	(1.60)
	1 DAY	MTD	QTD	CTD
FII INVESMENT- EQ (\$ Mn)	84	(771)	(4,903)	6,435
FII INVESMENT- DEBT (\$ Mn)	68	176	2,995	4,424
TOTAL- (\$ Mn)	152	(594)	(1,908)	10,859

CURRENCY	ECONOMIC DATA
EUR	German IFO
USD	CB Consumer Confidence

TECHNICAL VIEW

Currency pair ==> USDINR spot

View = DOWNWARD. As long as the pair holds below 71.40/45 zone on spot, scope for downside remains open.

Trade = Sell on rise. Stop needs to be placed above 71.20 on spot. Downside target remains 70.30/40 zone, followed by 70.00 handle on spot.

Currency pair ==> EURUSD spot

View = Intermediate trend remains bearish

Trade = Sell between 1.1000/1.1030 TP 1.0930/1.0870 SL 1.1050

MACRO VIEW

- Yesterday Indian equity markets remained in positive territory for the second consecutive session. Both, Nifty as well as Sensex, clocked gains of nearly 3%. The V-shaped reversal, followed by a very face paced rally can create a chase for returns amongst investors, institutions, as well as retail. If global sentiments do not turn sour, then the FOMO chase can take the Index towards a new all-time high. On USDINR, trading was lacklustre as probable heavy intervention from RBI kept the pair between 70.86 and 70.98 on spot. Spot closed flat around 70.93/94 levels. Speculators continue to be enticed by the high carry in INR and as a result, sell on rise remains the preferred bet. GOIsec 10 year yields eased by 4 bps to close at 6.75%. Talk of sovereign bond issuance is supporting both, bond as well as Rupee.
- US stocks barely budged on Monday. However, horrendous economic data from Eurozone did not allow US stock indices to break to an all-time high. Risk of a double top has increased. US treasury yields eased but the curve remains steep between 5 and 30 year, from the belly to the tail
- Eurozone PMI was far weaker than market's consensus. Manufacturing activity in the Eurozone contracted at its fastest pace in nearly 7 years with the index falling to 45.6 from 47. The slowdown was led by Germany, where the PMI manufacturing index fell to 41.4, the lowest level in more than a decade. Manufacturing in France moderated as well while services slowed across the board. Weak data calls for ECB to act once more and that mood was seconded by outgoing ECB chief yesterday. However, there are hopes that Germany may announce a fiscal stimulus soon, but longer they drag their feet, the deeper the economic funk Eurozone gets into. Monetary policy tool is blunt and without a weaker Euro, there is little monetary policy can do now. Hence, the need for fiscal level to be brought into action.
- Asian equity markets are trading in the green, but not by a big margin. Asian currencies are trading strong against USD. SGX Nifty is pointing to another 60 point gap up in the onshore. All in all, it is a risk on day for the Rupee bulls.
- Brent crude oil futures is hovering under 65 handle and Gold is holding steady at 1528 dollars on the active month futures on CME.
- Today German IFO can be the next bearish trigger for the Euro pairs: EuroINR, EuroUSD and EuroGBP. GBPUSD can retrace its recent gains as Brexit momentum has stalled with eyes on UK-EU talks in US this week.

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Source: TickerPlant

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