

| INR Pairs (Trading Range for the Day – Oct Futures) | | | | |
|---|---------------|---------------|---------------|--------------|
| | USDINR | EURINR | GBPINR | JPYINR |
| LTP (% Change) | 74.88 (-0.07) | 87.18 (-0.01) | 103.37 (0.27) | 65.68 (0.13) |
| Intraday View | Downward | Rangebound | Rangebound | Downward |
| Technical Range | 74.60-75.10 | 86.90-87.30 | 103.05-103.55 | 65.50-65.90 |

| Important Indicators | | |
|----------------------|-------|-------------|
| | DXY | Brent Crude |
| LTP | 93.72 | 84.13 |
| 1W back | 93.95 | 84.89 |
| 1M back | 93.43 | 75.86 |

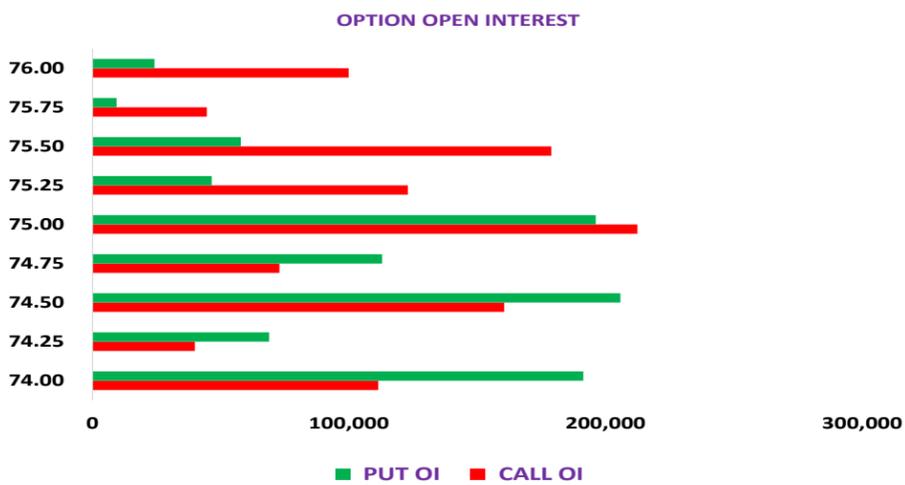


USDINR Futures (Oct) Over the past two trading session, Rupee has reduced the discount between itself and its peers. A typical convergence trade. Brent crude oil prices have stalled near its 2018 highs. If there is a stronger pullback in oil prices, then that can help Rupee converge much more and it can appreciate. However, the risk of RBI intervention will increase as prices get close to 74.50 levels. **Therefore, sell on rise with SL above 75.20 on Oct futures on a daily closing basis. Target 74.50 & 74.25 levels.**

GBPINR Futures (Oct) GBPINR has slipped into a consolidation mode after a strong rally from 100 to all the up to 104.00. **We need to keep a close watch on the covid situation in UK.** Cases are rising fast but fatalities are still low. If restrictions are reintroduced then it can be another headwind for growth, which is already been impacted by high-cost energy and supply chain disruptions. Flash PMIs will be the events to watch. **View is of a range.**

EURINR Futures (Oct) EURINR is now being push and pulled by the opposite impacts of strong EURUSD and weak USDINR. Today focus will be on flash PMI readings for October, which will reflect the economic growth momentum across Eurozone. **Bias remains of a rangebound activity.**

JPYINR Futures (Oct) JPYINR may get some respite as crude pullback from the recent highs and so does US bond yields. However, if USDINR continues to weaken, it can drag down JPYINR. In that case JPYINR can test 65.00/65.20 support zone as well. **Bias remains downward below 66.20 levels.**



| | Spot | Futures | |
|-----------------------------|-----------------|----------------------------|-----------------------------|
| | | Weekly Expiry 29-Oct-21 | Monthly Expiry 27-Oct-21 |
| USDINR LTP / (Previous Day) | 74.86 / (74.86) | 74.90 / (74.97) | 74.88 / (74.96) |
| ATM Vols (in %) | | 4.55% | 4.60% |
| ATM Straddle Price | 75.00 | 0.41 | 0.36 |

| Historical Volatility | |
|-----------------------|-------|
| 5 days Rolling | 4.59% |
| 21 days Rolling | 4.82% |

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 call is large enough to offer strong resistance near that region: 75.00/75.10 levels. Support is marked by large OI in 74.50 put options.

Disclaimer & Contact:

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