

INR Pairs (Trading Range for the Day – Dec Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.73 (0.05)	84.01 (0.13)	99.67 (-0.21)	64.94 (-0.07)
Intraday View	Upward	Downward	Range bound	Range bound
Technical Range	74.60-75.10	83.65-84.20	99.25-99.70	64.95-65.45

Important Indicators		
	DXY	USD/CNH
LTP	96.70	6.3937
1W back	96.06	6.3886
1M back	93.96	6.3775



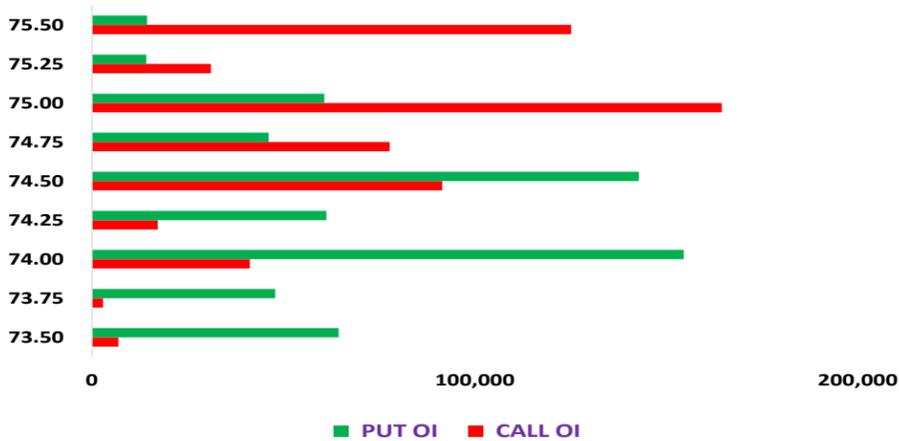
**USDINR Futures (Dec)**  
WHO has called a special meeting over a new strain of COVID from Africa and that is causing turmoil in Asian equity markets. A risk off mood and a stronger \$ should be factors enough to drive USDINR higher. The pair can catch up to its peers. With November futures expiring by noon, we may see a rally post expiry. Therefore, one can buy on decline in December futures, with SL below 74.50 on a daily closing basis and target 75.15/20 levels. Bias is slightly upward.

**GBPINR Futures (Dec)**  
UK economic data continues to be impressive but GBP is not responding much to UK data, it is focused on headlines of rising COVID cases in Europe and even to a certain extent in UK. Risk off mood in stock markets are an added negative for GBP. For GBPINR spot to reclaim 100 market it would require USDINR spot to move up above 75.00 levels. Bias is of a rangebound and volatile price action.

**EURINR Futures (Dec)**  
Euro lacks the legs to move higher as the fresh lockdowns in Eurozone is going crimp economic even more and in turn invite more dovish talk from the European central bank. However, Euro being a funding currency in a carry trade, like JPY, can sometimes spike higher during times of extreme stress in global equity and credit markets. This occurs due to short covering demand. We need to be alert to this. Overall bias remains downward.

**JPYINR Futures (Dec)**  
Sentiment has soured due to fresh COVID surge and new strain from Africa. As a result, US yields are pulling back and stock markets are tanking. A combination of these two should be positive for JPYINR. Hence, JPYINR may see some upside today. Avoid going short. Support is near 64.90/65.00 and resistance near 65.40/50 zone on December futures.

OPTION OPEN INTEREST



	Spot	Futures	
		Weekly Expiry 03-Dec-21	Monthly Expiry 29-Dec-21
USDINR LTP / (Previous Day)	74.50 / (74.39)	74.54 / (74.48)	74.73 / (74.68)
ATM Vols (in %)	74.50	3.75%	4.00%
ATM Straddle Price		0.33	0.76

Historical Volatility	
5 days Rolling	1.95%
21 days Rolling	3.55%

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

Option OI suggests that the range has narrowed to 74.00 and 74.60. Implied volatility has continued to decline as realised volatility remains low.

**Disclaimer & Contact:**

Reach us at: [ks.currency-research@kotak.com](mailto:ks.currency-research@kotak.com)

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