

INR Pairs (Trading Range for the Day – Oct Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.05 (0.07)	86.70 (-0.11)	101.48 (0.17)	66.78 (-0.24)
Intraday View	Rangebound	Rangebound	Rangebound	Rangebound
Technical Range	73.80-74.15	86.30-86.70	101.15-101.55	66.40-66.80

Important Indicators		
	DXY	Brent Crude
LTP	93.43	80.15
1W back	93.20	74.68
1M back	92.69	73.36

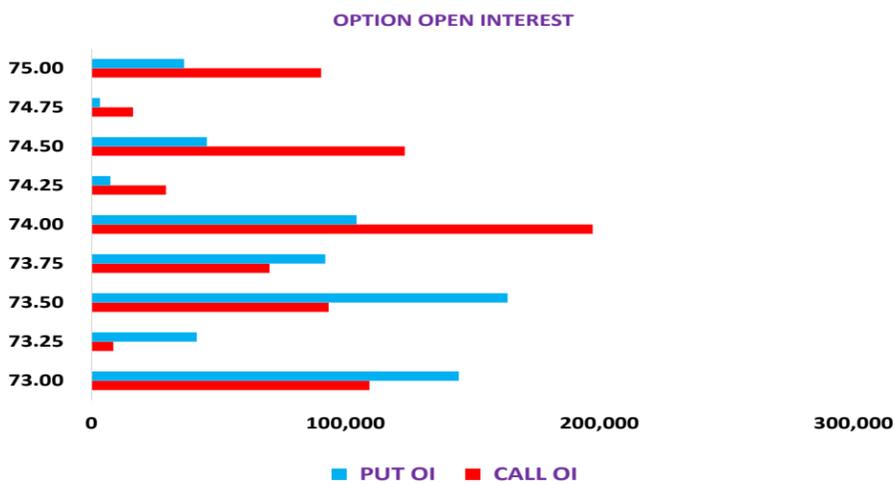


**USDINR Futures (Oct)**  
USDINR is able to ignore the rising oil prices and rising US bond yields due to risk on mood, flat DXY and flat Asian currencies and strong domestic flows, related to FPI, IPO and corporate. The delay in raising the debt ceiling could be hurting the US Dollar and allowing volatility to remain benign. **However, with Chinese economic/financial stress far from resolved and oil/yields rising, probability of USDINR breaking out higher is increasing. Therefore, one can buy OTM call spreads, like 74.50/75.00 to bet on an expected breakout in USDINR, expiry: 27<sup>th</sup> Oct.**

**GBPINR Futures (Oct)**  
GBPINR will remain sensitive to two factors: (i) risk trends (ii) trend of economic data in UK. After UK central bank hinted at a rate hike during Feb/March of 2022, the trajectory of economic data will be key. If data turns poor, traders will scale back bets on a rate hike., thereby hurting GBPINR. Similarly, if risk aversion returns, then also it can be negative for the pair. **A broad range of 100.30-101.80 can be at play.**

**EURINR Futures (Oct)**  
EURINR remains under pressure as rising US bond yields continues to hurt the Euro. There is clear cut policy divergence between US and EU and that should be enough to push the Euro lower. However, what could be not allowing the DXY to rise meaningfully is the risk of a government shutdown due to delay in raising debt ceiling. However, once that is resolved, Euro can fall. **A broad range of 86.00 and 87.00 in the pair.**

**JPYINR Futures (Oct)**  
With US 10-year yields punching higher on the back of cocktail of rising oil prices and hawkish US Fed, USDJPY has followed suit, which has knocked JPYINR lower. **JPYINR may continue to trade within a range of 66.20 to 67.20 with a mild downward bias.**



	Spot	Futures	
		Weekly Expiry 01-Oct-21	Monthly Expiry 27-Oct-21
USDINR LTP / (Previous Day)	73.84 / (73.69)	73.88 / (73.81)	74.06 / (73.97)
ATM Vols (in %)	<b>74.00</b>	4.60%	4.10%
ATM Straddle Price		0.30	0.69

Historical Volatility	
5 days Rolling	4.29%
21 days Rolling	4.81%

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

USDINR needs to break above 74.00 levels on spot decisively to make IVs increase due to short covering. The narrow range of 40-50 paise over the past couple of weeks is not allowing for IVs to rise.

**Disclaimer & Contact:**

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