

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.49	6.47
US 10 year	2.20	2.25
Eur 10 year	0.42	0.43
UK 10 year	1.08	1.11
JPY 10 year	0.06	0.06

RBI reference rate

	Close		% change
	10-08-2017	09-08-2017	
USD/INR	63.94	63.75	0.31
EUR/INR	75.06	74.86	0.27
GBP/INR	83.01	82.92	0.10
YEN/INR	58.15	57.94	0.36

Spot

Spot	Close	Prev close	% change
Rupee	64.08	63.84	0.38
Dollar index	93.40	93.55	-0.16
Euro	1.1772	1.1759	0.11
British pound	1.2977	1.3004	-0.21
Japanese Yen	109.2	110.07	-0.79
Australian (\$)	0.7875	0.7888	-0.16
Swiss Franc	0.9626	0.9637	-0.11

Currency futures (US\$/₹, NSE)

Contracts	LTP	chg (%)	OI	Vol	chg (%)	
					OI	Vol
August	64.22	0.36	1129426	1190825	-14.16	47.12
September	64.44	0.36	545284	145163	4.43	84.44
Aug-Sep	-0.22	-	-	1045662	-	87.81
Sep-Oct	-0.24	-	-	132297	-	91.14

Global Indices

Indices	Close	Prev close	% change
Dow Jones	21844.01	22048.7	-0.93
Nasdaq	5788.192	5919.392	-2.22
FTSE	7389.94	7498.06	-1.44
DAX	12014.3	12154	-1.15
Hang Sang	27057.43	27444	-1.41
Nikkei	19729.74	19738.71	-0.01
SGX Nifty	9761.5	9864.5	-1.05

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1286.53	1277.3	0.72
Copper	290.3	292.7	-0.82
Brent crude	51.9	52.7	-1.52

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds ended lower for a fourth day, as fresh supply from an open market sale of debt and today's weekly auction weighed on investor sentiment
- The GoI benchmark 6.79% 2027 bond yield rose to 6.49% in the previous session
- Yield on the US 10-year fell to 2.20% from 2.25% in the previous session

Forex (US\$/INR)

- The rupee fell to its lowest in over a week against the US\$, in line with its Asian peers, as shares continued to slide on risk aversion triggered by growing tensions between North Korea and the US
- US\$ fell against major currencies as rising risk-off sentiment on account of North Korea-US geopolitical escalation weighed on US\$. Japanese Yen continue to rise sharply supported by safe haven buying while British pound was weighed by lower than expected economic data

Equity

- Equity benchmarks extended losses for a fourth consecutive session and ended near four week lows amid broad based selling pressure following escalating geopolitical tensions on the Korean peninsula. The Sensex fell 266 points or 0.84% to 31531 while the Nifty lost 87 points or 0.89% to 9820
- The broader market space witnessed capitulation as the BSE midcap and small cap indices plunged 2.64% and 2.9%, respectively. As a result, the overall market breadth was sharply negative with A/D ratio of 1:6 on the BSE

Commodities Market

- Crude oil fell in yesterday trade as expectations of supply glut weighed on oil prices at higher levels. Opec monthly report showed a jump in supplies, which would keep surplus longer-than-expected
- Gold continue to rise along with other safe haven assets as weak US\$ and North Korea risk provide basis for investors to chase non-interest paying asset

Strategy

- In the currency futures market, the most traded dollar-rupee August contract on the NSE ended at 64.22. The August contract open interest declined 14.16% from the previous day
- September contract open interest increased 4.43% in the previous session
- We expect the US\$ to find supports at lower levels. Utilise downside in pair to go long on US\$INR

Intra-day strategy

US\$INR August futures contract (NSE)	View: Bullish on US\$INR
Buy US\$INR in the range of 64.10 - 64.20	Market Lot: US\$1000
Target: 64.40 / 64.50	Stop Loss: 64.00
Support	Resistance
S1/ S2: 64.20 / 64.00	R1/R2: 64.35 / 64.55

Source: Company, ICICIdirect.com Research

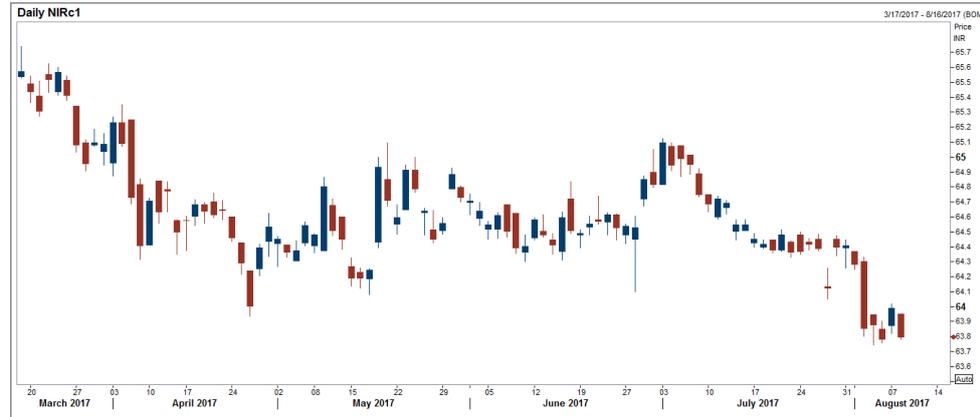
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹ crore)
Equity	3644.31	4073.05	-428.74
Debt	1607.96	274.40	1333.56

Source: SEBI, CDSL

Exhibit 1: US\$ INR Currency Future (NSE)



Source: Reuters, ICICIdirect.com Research

Exhibit 2: Pivot Levels (NSE)

Futures	Pivot	S1	S2	R1	R2
US\$ - INR (August)	64.13	64.05	63.93	64.25	64.34
US\$ - INR (September)	64.36	64.27	64.14	64.49	64.57
EUR - INR (August)	75.24	75.07	74.90	75.42	75.59
EUR - INR (September)	75.60	75.43	75.26	75.77	75.94
GBP - INR (August)	83.38	83.20	82.92	83.66	83.84
GBP - INR (September)	83.74	83.57	83.30	84.01	84.18
JPY - INR (August)	58.40	58.31	58.15	58.56	58.65
JPY - INR (September)	58.67	58.60	58.45	58.82	58.89

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
10-Aug-17	August	Sell	Sell future	64.05	63.80	64.20	-80	Exit at loss

(*Returns are calculated on one lot only)

Exhibit 4: Contract Specification (NSE)

Underlying	Rate of exchange between one USD and INR
Trading Hours (Monday to Friday)	09:00 a.m. to 05:00 p.m.
Contract Size	USD 1000
Tick Size	0.25 paise or INR 0.0025
Trading Period	Maximum expiration period of 12 months
Contract Months	12 near calendar months
Final Settlement date/ Value date	Last working day of the month (subject to holiday calendars)
Last Trading Day	Two working days prior to Final Settlement Date
Settlement	Cash settled
Final Settlement Price	The reference rate fixed by RBI two days prior to the final settlement date will be used for final settlement

Source: NSE, ICICIdirect.com Research

NOTES:

- The Sell below / above price is a key technical level, which decides the trend for the day
- Initiate the trade within +/- 0.03—0.04 margin from the recommended level
- A return opportunity of about 0.09 paisa is considered for partial profit booking post initiation of the trade
- Once the Call is initiated, an appropriate Stop Loss trigger should be put for the trade
- Once into position, put trailing stops to preserve your profits
- Be careful if the counter achieves the target immediately after opening
- The strategies are valid only for the date mentioned at the top
- Positions should be squared off by the end of the day
- The strategies are based on intra-day volatility, suggesting a two-way approach intra-day
- Medium to long-term prospects do not have any bearing on the daily view

MOST IMP: The follow-up and performance review table of the strategies indicates the profit opportunity that was available in the strategies. Individual profits may vary, depending upon the entry and exit price and stop losses



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