

Treasury yields

	Closing yield%	Previous yield %
India 10 year	6.74	6.78
US 10 year	2.36	2.36
Eur 10 year	0.44	0.44
UK 10 year	1.36	1.36
JPY 10 year	0.06	0.06

RBI reference rate

	Close		% change
	10/10/2017	10/9/2017	
US\$INR	65.27	65.31	-0.06
EUR-INR	76.83	76.60	0.30
GBP-INR	85.94	85.63	0.36
JPY-INR	57.95	57.99	-0.07

Spot

Spot	Close	Prev close	% change
Rupee	65.29	65.36	-0.11
Dollar index	93.29	93.68	-0.41
Euro	1.1808	1.174	0.58
British pound	1.3203	1.3142	0.46
Japanese Yen	112.45	112.68	-0.20
Australian (\$)	0.7778	0.7753	0.32
Swiss Franc	0.9752	0.9798	-0.47

Currency futures (US\$/₹, NSE)

Contracts	LTP	chng (%)	OI	Vol	chng (%)	
					OI	Vol
October	65.43	-0.17	1680361	1439635	-9.66	38.96
November	65.66	-0.18	279944	117730	10.39	127.10
Oct-Nov	-0.23	-	-	1321905	-	91.82
Nov-Dec	-0.22	-	-	104276	-	88.57

Global Indices

Indices	Close	Prev close	% change
Dow Jones	22830.68	22761.07	0.31
Nasdaq	6063.521	6058.531	0.08
FTSE	7538.27	7507.89	0.40
DAX	12949.25	12976.4	-0.21
Hang Sang	28550.53	28490.83	0.21
Nikkei	20878.52	20823.51	0.26
SGX Nifty	10073.5	10043.5	0.30

* Asian market as at 08.00 am

Commodities

	Close	Prev close	% change
Gold	1288.03	1284.05	0.31
Copper	306.05	303.1	0.97
Brent crude	56.61	55.79	1.47

Source: Reuters, Bloomberg, CdsI for above all exhibits

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Debt market

- Government bonds rose for the first time in five sessions, as some investors bought notes to benefit from the recent decline in prices, amid possibility of short covering
- The GoI benchmark 6.79% 2027 bond yield declined to 6.74% from 6.78% in the previous session
- Yield on the US 10-year yield was steady at 2.36% in the previous session

Forex (US\$/INR)

- The rupee rose for a second straight session in line with most other Asian currencies, as gains in major currencies weighed on US\$. Receding fears of slipping fiscal deficit could trigger rupee appreciation
- The US\$ posted losses against major currencies as Euro and British pound continue to post decent gains. Euro gained over receding fears of Catalonia region independence referendum while a recent uptick seen in UK labour costs and inflation is positive for British pound. Traders expect BoE to move earlier than expected to raise interest rates. Euro may remain in focus ahead of ECB monetary meeting this month

Equity

- Equity benchmarks consolidated with a positive bias amid stock specific action on Tuesday
- The Sensex, Nifty added 0.24% each. Broader markets outshone the benchmark as midcap and small cap indices rose 0.64% and 0.95%, respectively

Commodities Market

- Gold gained as US\$ longs have come under profit booking. Also, mild disruption seen in Catalonia region of Spain along with simmering geopolitical tensions over North Korea are positive triggers for gold
- Crude oil prices traded in a narrow range ahead of US weekly government data. Crude oil stocks are expected to decline by 2.4 mb. The Opec secretary confirmed that oil markets could balance in 2018

Strategy

- In the currency futures market, the near month dollar-rupee October contract on the NSE ended at 65.43. The October contract open interest declined 9.66% from the previous day
- November contract open interest increased 10.39% in the previous session
- We expect the US\$ to meet supply pressure at higher levels. Utilise upside in the pair to go short on the US\$INR

Intra-day strategy

USSINR October futures contract (NSE)	View: Bearish on US\$INR
Sell US\$INR in the range of 65.50 - 65.60	Market Lot: US\$1000
Target: 65.30 / 65.20	Stop Loss: 65.70
Support	Resistance
S1/ S2: 65.40 / 65.20	R1/R2: 65.55 / 65.75

Source: Company, ICICIdirect.com Research

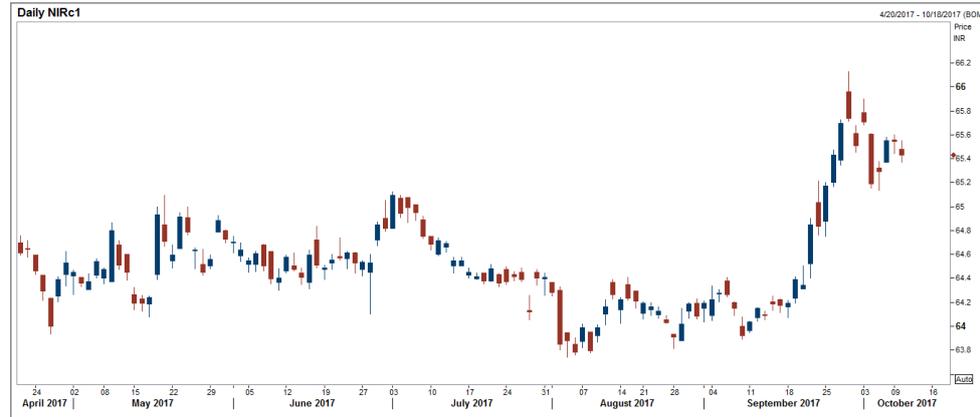
*Call initiation and update messages will be broadcast on iclick-2-gain"

FII Activity

Segment	Gross Purchase	Gross Sale	Net (₹ crore)
Equity	2920.78	3359.88	-439.10
Debt	462.02	743.22	-281.20

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 (October)	65.45	65.35	65.27	65.53	65.63
US\$ - INR (November)	65.68	65.59	65.51	65.76	65.85
EUR - INR (October)	77.15	77.00	76.86	77.28	77.43
EUR - INR (November)	77.50	77.35	77.21	77.64	77.79
GBP - INR (October)	86.29	86.09	85.87	86.50	86.70
GBP - INR (November)	86.65	86.45	86.25	86.85	87.04
JPY - INR (October)	58.27	58.07	57.87	58.46	58.67
JPY - INR (November)	58.49	58.40	58.26	58.63	58.72

Source: NSE, ICICIdirect.com Research

Exhibit 3: Strategy follow up

Date	Contract USD/INR	View	Strategy	Rec.	Target	SL	(P/L)*	Comment
10-Oct-17	October	Sell	Sell future	65.50	65.25	65.65	0	Not initiated

(*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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