

A weekly snapshot
8th August, 2020

Policy Repo Rate and
Reverse Repo Rate

4.00% & 3.35%

Bond Yield 10 Year Rate

5.88 (+0.86%)

SPOT
SECTION

<u>USD-INR</u>	<u>GBP-INR</u>	<u>EUR-INR</u>	<u>JPY-INR</u>
74.93(+0.17%)	98.12(-0.02%)	88.64(-0.17%)	71.48(-0.77%)

HALT IN U.S STIMULUS PACKAGE COULD DENT INVESTOR'S SENTIMENTS

In the past week, United States struggles to sanction the stimulus package while on the other hand Virus Export Dr. Anthony Fauci believes that vaccines may not have a long lasting effect. Looking at the Europe, some good news with PMI data returns to modest growth with retails sales reaching pre-covid levels. In the Asian continent, Indian RBI maintains the repo rate to the current levels while continuing the accommodating stance while China faces global retaliation and a fear of new virus spread in Mainland China. Looking at the current situation the international markets are likely to remain volatile and investors should trade cautiously. The Call and Put option contracts in USD-INR of strike price Rs. 75.00 were most active.

USD INR

Contract	Rate	High	Low	Change	Turnover Cr.
27 th Aug.	75.11	75.49	74.85	0.013	57561.46
28 th Sept.	75.33	75.70	75.14	-0.005	4695.69
27 th Oct.	75.54	75.91	75.36	0.000	497.68

EUR INR

Contract	Rate	High	Low	Change	Turnover Cr.
27 th Aug.	88.76	89.29	88.28	0.47	9485.57
28 th Sept.	89.04	89.54	88.40	0.54	635.37
27 th Oct.	89.29	89.77	88.63	0.66	105.80

CURRENCY ₹ STATISTICS

GBP INR

Contract	Rate	High	Low	Change	Turnover Cr.
27 th Aug.	98.22	99.00	97.98	-0.16	11802.93
28 th Sept.	98.47	99.26	98.24	-0.02	532.85
27 th Oct.	98.69	99.49	98.45	-0.16	91.93

JPY INR

Contract	Rate	High	Low	Change	Turnover Cr.
27 th Aug.	71.09	71.31	70.82	0.05	1730.86
28 th Sept.	71.31	71.53	71.05	-0.09	67.73
27 th Oct.	71.49	71.73	66.10	-0.02	3.38



UPCOMING INTERNATIONAL EVENTS

DATE	EVENT	SIGNIFICANCE
11 th Aug.	British Employment Data	High(GBP-INR)
11 th Aug.	U.S PPI Data	Moderate(USD-INR)
12 th Aug.	British GDP Data	High(GBP-INR)
12 th Aug.	OPEC Monthly Report	High(USD-INR)
12 th Aug.	Indian CPI Data	High(All Trading pairs V/S INR)
13 th Aug.	Chinese Industrial Production	High(USD-INR)
14 th Aug.	U.S Retail Sales	High(USD-INR)

CHART FORMATION: USD-INR Fut. (Trend: Volatility Ahead)



TECHNICAL ANALYSIS

The USD-INR a trend line breakout was visible on the daily charts, however a retracement to the trend line was seen in the last trading session but bullish trend still remains intact. Technically; Resistance can be faced at the levels of Rs.75.50 & 75.75 whereas support remains near 74.90 & 74.50. However investors should be cautious in the coming week for more volatility.

OPTION OUTLOOK

As per the option chain for the 27th Aug. Expiry, The maximum addition of open interest can be witnessed at 74.75(Put) and 75.75 (Calls) Highest allocation of open interest is at the levels of 75.00. Overall, call writers are looking in control with pc ratio at 0.79. However, any move above the resistance level could trigger long unwinding. Support wise open interest in Put was still seen at the levels of Rs.75 and a range bound movement is expected in the coming week.

[For Disclosure & Disclaimer, click here.](#)