



# FX DAILY DOSSIER

January 18, 2021

## KEY MARKET THEME

- The first domestic IPO of 2021 may support rupee to reach above 73.00.
- Janet Yellen - the upcoming US Treasury Secretary likely to present statement in front of US Congress on US Dollar move due tomorrow.
- Forex volumes will be thin today on account of US session will remain closed today.

FX Majors	CMP	1W	1M
EURUSD	1.2078	-0.60%	-1.36%
GBPUSD	1.3580	0.50%	0.84%
USDJPY	103.74	-0.49%	0.43%

FX Cross INR	CMP	1W	1M
USDINR	73.18	-0.44%	-0.98%
EURINR	88.42	-1.05%	-2.32%
GBPINR	99.40	0.06%	-0.13%
JPYINR	70.55	0.06%	-1.39%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	5.99%	9.60	2.50
US	1.09%	-3.01	14.40
Germany	-0.55%	2.48	8.70
UK	0.29%	9.37	12.07

Flows	DTD	WTD	MTD
FII's (INR Crs)	971.06	10,053.69	16,901.33

Note: 1W refers to 1 week change from CMP | 1M refers to 1 month change from CMP

## MACRO ANALYSIS

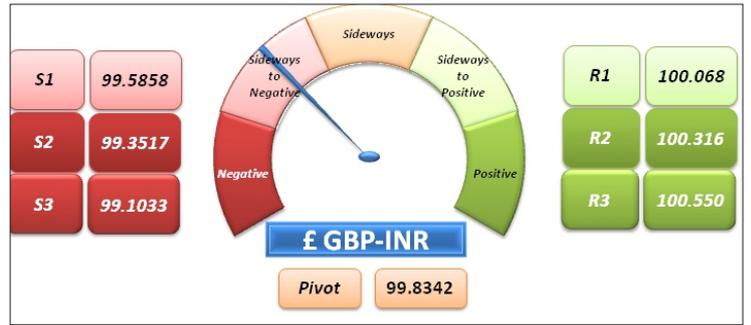
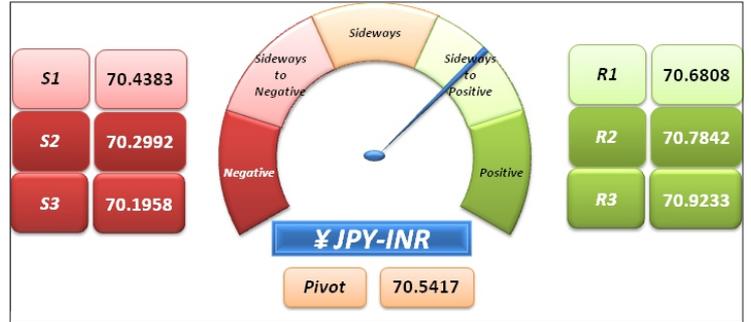
Indian Rupee likely to open on a flat note with a positive bias to reach towards 73.00 ( spot ). Meanwhile the first IPO of 2021 - IRFC will open today till 20th January to the tune of over Rs 4,400 crs. Accordingly, FIIs flows for the ongoing IPO likely to support rupee as well. Apparently 72.75 on spot would be a strong base for the USDINR to halt the rupee rally.

On the global side, Wall Street Journal reported that Janet Yellen is expected to affirm the U.S.'s commitment to market-determined exchange rates when she testifies on Tuesday, and she will make clear the U.S. doesn't seek a weaker dollar for competitive advantage, according to Biden transition officials familiar with her hearing preparation.

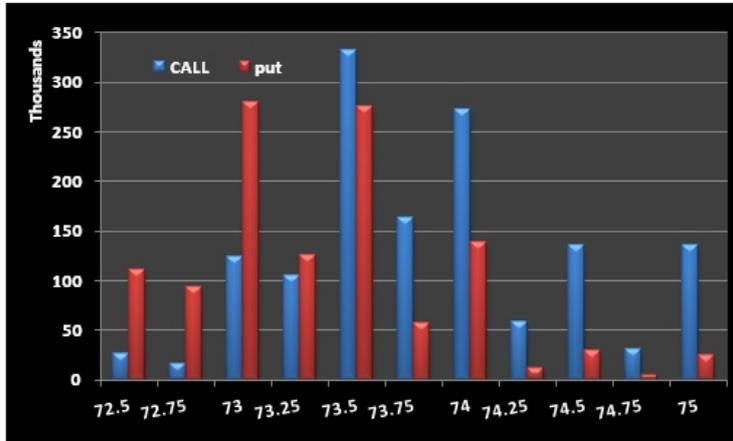
Ms. Yellen, the upcoming US Treasury Secretary prepared to say, "The value of the U.S. dollar and other currencies should be determined by markets. Markets adjust to reflect variations in economic performance and generally facilitate adjustments in the global economy." We will be closely monitoring the latest development and may guide the dollar move in coming days.

## ECONOMIC DATA

	IST	Previous	Median	SMC's Forecast
GBP BOE Gov Bailey Speaks	19:00			



USDINR Options Activity (Near Month)



USDINR OI Change (FTD)



USDINR Option Greek Data (Near Month)

27-Jan-21	CALL				Option Greeks					PUT			Option Greeks				
	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	
73.11	0.0000	2.00	0.0%	0.99	0.020	0.00	-0.01	0.02	0.0000	0.00	0.4%	-0.01	0.020	0.00	0.00	0.00	
71.25	0.0000	2.00	0.0%	0.99	0.020	0.00	-0.01	0.02	0.0000	0.00	0.4%	-0.01	0.020	0.00	0.00	0.00	
71.50	1.6400	1.75	0.0%	0.99	0.042	0.00	-0.01	0.02	0.0050	0.00	6.3%	-0.01	0.042	0.00	0.00	0.00	
71.75	1.7100	1.50	14.0%	0.97	0.082	0.01	-0.01	0.02	0.0025	0.01	5.0%	-0.03	0.082	0.01	0.00	0.00	
72.00	1.1600	1.27	0.0%	0.94	0.143	0.02	-0.01	0.02	0.0075	0.02	5.0%	-0.06	0.143	0.02	0.00	0.00	
72.25	0.8225	1.04	0.0%	0.90	0.225	0.02	-0.02	0.02	0.0150	0.04	4.8%	-0.10	0.225	0.02	0.00	0.00	
72.50	0.6825	0.82	0.0%	0.83	0.320	0.03	-0.02	0.02	0.0300	0.07	4.5%	-0.17	0.320	0.03	-0.01	0.00	
72.75	0.4550	0.63	0.0%	0.74	0.411	0.04	-0.02	0.02	0.0575	0.13	4.2%	-0.26	0.411	0.04	-0.01	-0.01	
73.00	0.3000	0.46	2.7%	0.62	0.477	0.05	-0.02	0.01	0.1425	0.21	4.7%	-0.38	0.477	0.05	-0.01	-0.01	
73.25	0.1750	0.32	3.3%	0.50	0.502	0.053	-0.02	0.01	0.2775	0.32	5.2%	-0.50	0.502	0.05	-0.01	-0.01	
73.50	0.1000	0.21	3.8%	0.38	0.478	0.05	-0.02	0.01	0.4500	0.46	5.8%	-0.62	0.478	0.05	-0.01	-0.02	
73.75	0.0575	0.13	4.2%	0.27	0.413	0.04	-0.01	0.01	0.6600	0.63	6.7%	-0.73	0.413	0.04	0.00	-0.02	
74.00	0.0400	0.07	4.9%	0.18	0.325	0.03	-0.01	0.00	0.8800	0.82	7.5%	-0.82	0.325	0.03	0.00	-0.02	
74.25	0.0250	0.04	5.3%	0.11	0.232	0.02	-0.01	0.00	1.1200	1.04	8.6%	-0.89	0.232	0.02	0.00	-0.02	
74.50	0.0175	0.02	5.8%	0.06	0.150	0.02	0.00	0.00	1.3100	1.27	7.9%	-0.94	0.150	0.02	0.01	-0.02	
74.75	0.0125	0.01	6.3%	0.03	0.089	0.01	0.00	0.00	1.6575	1.51	12.2%	-0.97	0.089	0.01	0.01	-0.02	

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