



FX DAILY DOSSIER

May 05, 2021

KEY MARKET THEME

- Rupee likely to open flat to negative.
- Risk sentiment turned slightly cautious after Yellen's speech.
- Pound remains choppy ahead of UK Central Banker meet tomorrow.

FX Majors	CMP	1W	1M
EURUSD	1.2023	-0.85%	1.26%
GBPUSD	1.3907	-0.23%	1.23%
USDJPY	109.32	0.67%	-0.47%

FX Cross INR	CMP	1W	1M
USDINR	73.80	-0.74%	-0.75%
EURINR	88.72	-1.59%	0.50%
GBPINR	102.64	-0.97%	0.47%
JPYINR	67.50	-1.40%	-0.28%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	6.20%	-2.30	-6.50
US	1.59%	-2.05	-8.06
Germany	-0.24%	0.94	7.72
UK	0.80%	2.08	-0.18

Flows	DTD	WTD	MTD
FIIIs (INR Crs)	-1,772.37	-4,061.83	-4,061.83

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

MACRO ANALYSIS

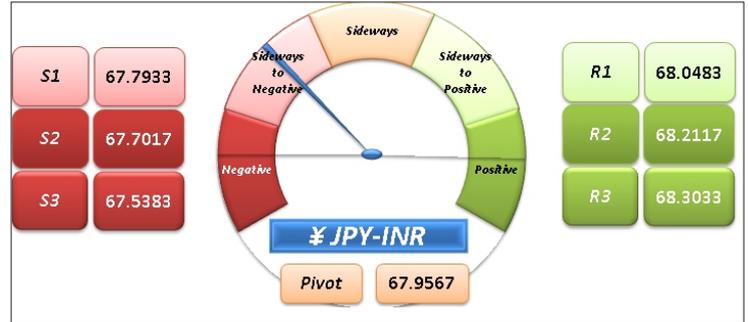
US Treasury secretary Janet Yellen warned on Tuesday that interest rates may need to rise over time to keep the US economy from overheating, exacerbating a sell-off in technology stocks before she clarified her remarks later in the day.

The former Federal Reserve chair made the comments in the context of the Biden administration's plans for \$4tn of infrastructure and welfare spending over the next decade, rather than the \$1.9tn economic stimulus already enacted this year because of the pandemic.

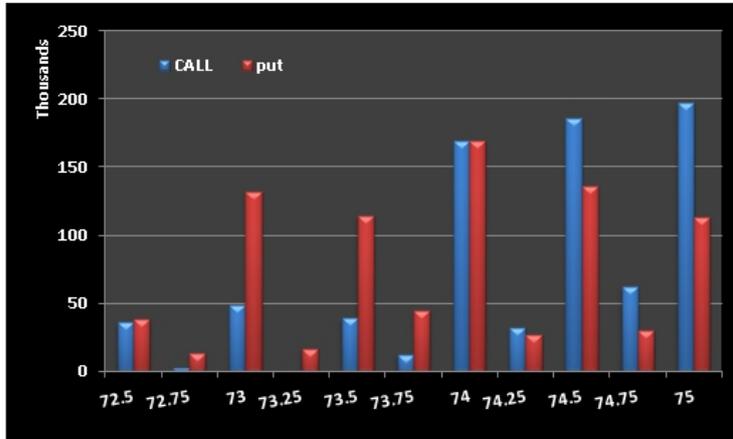
"It may be that interest rates will have to rise somewhat to make sure that our economy doesn't overheat, even though the additional spending is relatively small relative to the size of the economy," she said at an event hosted by The Atlantic magazine.

ECONOMIC DATA

	IST	Previous	Median	SMC's Forecast
USD ADP Non-Farm Employment Change	17:45	517K	872K	872K
USD ISM Services PMI	19:30	63.7	64.2	64.2



USDINR Options Activity (Near Month)



USDINR OI Change (FTD)



USDINR Option Greek Data (Near Month)

27-May-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		
73.9																		
72.25	2.1025	1.92	11.6%	0.96	0.076	0.01	-0.01	0.04	0.0175	0.02	6.1%	-0.04	0.076	0.01	0.00	0.00		
72.50	1.8800	1.68	11.1%	0.94	0.112	0.02	-0.01	0.04	0.0250	0.03	5.8%	-0.06	0.112	0.02	0.00	0.00		
72.75	1.6375	1.45	10.2%	0.90	0.156	0.03	-0.01	0.04	0.0400	0.05	5.7%	-0.10	0.156	0.03	0.00	0.00		
73.00	1.3200	1.23	7.9%	0.86	0.206	0.04	-0.02	0.04	0.0700	0.08	5.8%	-0.14	0.206	0.04	0.00	-0.01		
73.25	1.1975	1.03	9.0%	0.80	0.257	0.05	-0.02	0.04	0.1050	0.12	5.7%	-0.20	0.257	0.05	0.00	-0.01		
73.50	0.9150	0.84	7.3%	0.73	0.304	0.06	-0.02	0.03	0.1575	0.18	5.6%	-0.27	0.304	0.06	0.00	-0.01		
73.75	0.7375	0.67	7.1%	0.65	0.341	0.07	-0.02	0.03	0.2300	0.26	5.6%	-0.35	0.341	0.07	0.00	-0.02		
74.00	0.5800	0.52	6.9%	0.56	0.362	0.07	-0.02	0.02	0.3300	0.36	5.6%	-0.44	0.362	0.07	0.00	-0.02		
74.25	0.4375	0.39	6.7%	0.47	0.365	0.072	-0.02	0.02	0.4300	0.48	5.3%	-0.53	0.365	0.07	0.00	-0.02		
74.50	0.3325	0.29	6.7%	0.38	0.350	0.07	-0.01	0.02	0.5775	0.63	5.3%	-0.62	0.350	0.07	0.00	-0.03		
74.75	0.2450	0.20	6.7%	0.30	0.318	0.06	-0.01	0.01	0.7450	0.79	5.2%	-0.70	0.318	0.06	0.00	-0.03		
75.00	0.1825	0.14	6.8%	0.22	0.274	0.05	-0.01	0.01	0.9200	0.98	4.8%	-0.78	0.274	0.05	0.00	-0.04		
75.25	0.1400	0.09	7.0%	0.16	0.225	0.04	-0.01	0.01	1.1250	1.18	4.5%	-0.84	0.225	0.04	0.00	-0.04		
75.50	0.1000	0.06	7.0%	0.11	0.176	0.03	-0.01	0.00	1.3375	1.40	0.0%	-0.89	0.176	0.03	0.01	-0.04		
75.75	0.0725	0.04	7.2%	0.08	0.131	0.03	0.00	0.00	1.6725	1.62	7.5%	-0.92	0.131	0.03	0.01	-0.04		

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