



# FX DAILY DOSSIER

November 19, 2020

## KEY MARKET THEME

- Dollar lifted in early Asian trades as safe heaven bid amid rising covid cases worldwide
- Pound lost yesterday's gains as Brexit risk rises sharply.
- The Times reported that EU leaders may demand a no-deal exit plans later in the day.

FX Majors	CMP	1W	1M
EURUSD	1.1847	0.36%	0.22%
GBPUSD	1.3242	0.93%	1.22%
USDJPY	103.81	-1.25%	-1.02%

FX Cross INR	CMP	1W	1M
USDINR	74.27	-0.55%	0.82%
EURINR	88.02	0.72%	1.14%
GBPINR	98.35	0.28%	2.01%
JPYINR	72.00	1.32%	1.64%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	5.88%	1.60	-5.30
US	0.85%	7.79	14.74
Germany	-0.55%	7.68	-2.52
UK	0.33%	4.97	14.21

Flows	DTD	WTD	MTD
FII's (INR Crs)	3,071.93	20,189.90	41,209.63

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

## MACRO ANALYSIS

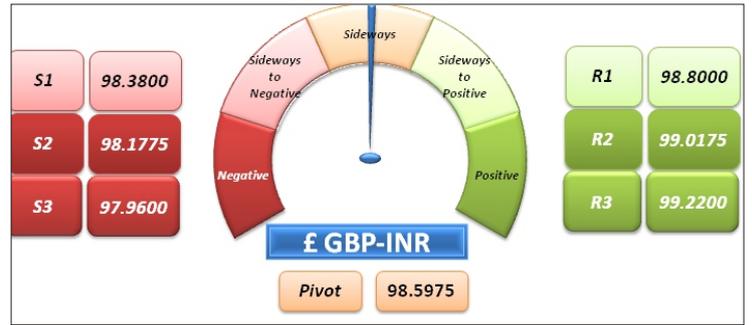
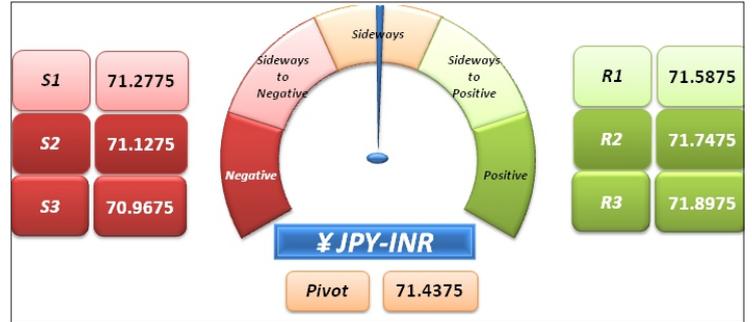
Risk sentiment decline after US equities fell for a second-straight day, even after European shares built on a record-breaking rally this month, as investors weighed the surge in Covid-19 cases against the recent vaccine breakthroughs that will help the global economy get back on its feet. Accordingly a small pull-back in Dollar is seen in Asian trades.

Pound dropped modestly in early trades today after straight rally in last four days as hopes grow of a Brexit deal likely to get signed by next week. Apparently EU leaders have given 26th November a practical deadline for concluding the deal. Earlier pound further supported amid October Inflation came in higher-than-expected to 0.7%.

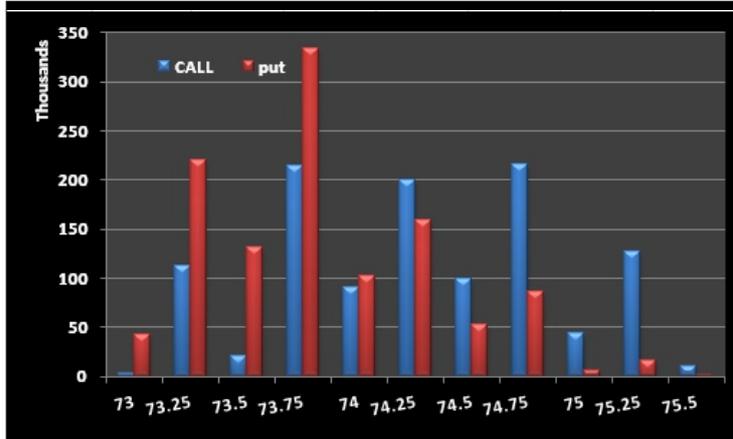
The Times is reporting that Europe's leaders will demand today that the European Commission publish no-deal plans amid fears that Brexit negotiations are dragging on without businesses knowing what they need to prepare for in the worst scenario. Several European Union governments are growing frustrated that deadlines for trade, security and fishing talks are slipping, leaving little time to get ready if the negotiations fail to reach agreement. Accordingly high cautious required in GBP pairs.

## ECONOMIC DATA

	IST	Previous	Median	SMC's Forecast
USD CB Leading Index m/m	20:30	0.70%	0.70%	0.70%



USDINR Options Activity (Near Month)



USDINR OI Change (FTD)



USDINR Option Greek Data (Near Month)

25-Nov-20	CALL				Option Greeks					PUT			Option Greeks				
	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	
74.27	1.6625	1.84	0.0%	0.99	0.044	0.00	-0.01	0.01	0.0075	0.00	9.7%	-0.01	0.044	0.00	0.00	0.00	
72.50	1.2600	1.60	0.0%	0.97	0.080	0.01	-0.02	0.01	0.0125	0.01	9.3%	-0.03	0.080	0.01	0.00	0.00	
72.75	1.0150	1.36	0.0%	0.94	0.134	0.01	-0.02	0.01	0.0200	0.02	8.9%	-0.06	0.134	0.01	-0.01	0.00	
73.00	0.7850	1.13	0.0%	0.90	0.205	0.02	-0.02	0.01	0.0325	0.04	8.5%	-0.10	0.205	0.02	-0.01	0.00	
73.25	0.5625	0.91	0.0%	0.84	0.286	0.02	-0.03	0.01	0.0575	0.07	8.3%	-0.16	0.286	0.02	-0.02	0.00	
73.50	0.3475	0.71	0.0%	0.76	0.366	0.03	-0.03	0.01	0.1150	0.12	8.7%	-0.24	0.366	0.03	-0.02	0.00	
73.75	0.1875	0.54	0.0%	0.66	0.430	0.04	-0.03	0.01	0.2050	0.20	9.2%	-0.34	0.430	0.04	-0.02	0.00	
74.00	0.1000	0.39	1.1%	0.54	0.463	0.04	-0.03	0.01	0.3700	0.30	10.9%	-0.46	0.463	0.04	-0.02	-0.01	
74.25	0.0500	0.27	3.0%	0.43	0.458	0.037	-0.03	0.01	0.5550	0.43	12.3%	-0.57	0.458	0.04	-0.02	-0.01	
74.50	0.0300	0.18	4.1%	0.32	0.416	0.03	-0.03	0.00	0.7975	0.59	14.9%	-0.68	0.416	0.03	-0.02	-0.01	
74.75	0.0150	0.11	4.8%	0.22	0.348	0.03	-0.02	0.00	1.0100	0.77	16.3%	-0.78	0.348	0.03	-0.01	-0.01	
75.00	0.0125	0.06	5.9%	0.15	0.268	0.02	-0.02	0.00	1.3125	0.98	20.2%	-0.85	0.268	0.02	-0.01	-0.01	
75.25	0.0050	0.04	6.1%	0.09	0.190	0.02	-0.01	0.00	1.5600	1.20	22.4%	-0.91	0.190	0.02	0.00	-0.01	
75.50	0.0050	0.02	7.1%	0.05	0.124	0.01	-0.01	0.00	1.7525	1.43	22.7%	-0.95	0.124	0.01	0.00	-0.01	
75.75	0.0075	0.01	8.7%	0.03	0.075	0.01	0.00	0.00	1.8000	1.67	17.3%	-0.97	0.075	0.01	0.01	-0.01	

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