



# FX DAILY DOSSIER

September 25, 2020

## KEY MARKET THEME

- Rupee likely to open higher as following modest correction in US Dollar.
- Dollar edge lower after US policymakers decided to review for a possible fiscal stimulus.
- Sterling remains choppy as Brexit headlines keep changing stances.

FX Majors	CMP	1W	1M
EURUSD	1.1672	-1.43%	-1.97%
GBPUSD	1.2755	-1.27%	-4.47%
USDJPY	105.46	0.85%	0.09%

FX Cross INR	CMP	1W	1M
USDINR	73.91	0.52%	1.07%
EURINR	86.25	-0.96%	-0.93%
GBPINR	94.27	-0.78%	-3.45%
JPYINR	70.08	-0.35%	0.97%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	6.00%	-4.50	-9.10
US	0.68%	0.67	4.11
Germany	-0.50%	-2.01	0.63
UK	0.22%	3.66	1.33

Flows	DTD	WTD	MTD
FIIIs (INR Crs)	-1,885.69	-8,794.36	-7,134.36

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

## MACRO ANALYSIS

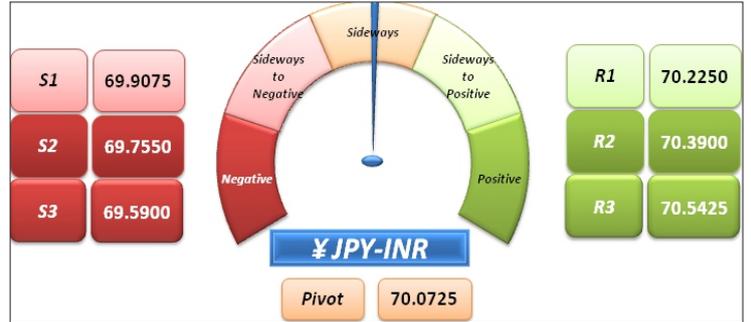
Indian rupee likely to open higher after risked appetite received a boost after US policymakers agreed to review the possibilities of additional fiscal stimulus. Yesterday rupee hit one month low and fell below 73.90 followed by sell-off in global equities. For the day, USDINR may follow a range of 73.50 - 73.85.

As soon as news broke out that Nancy Pelosi, the Democratic speaker of the House of Representatives said she was "ready for negotiation" on a new corona virus relief plan, dollar faced a modest sell-off. So far Congressional leaders and the White House have so far failed to agree more fiscal stimulus for the US economy, and talks stalled several weeks ago.

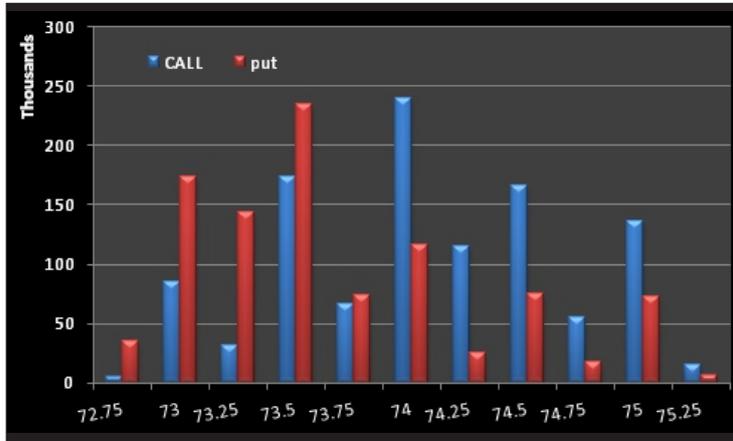
Meanwhile Sterling continues to remain choppy in the midst of fear of second wave outbreak. However few reports of progress being made in ongoing Brexit trade negotiations and the announcement of further fiscal support measures by the Government have aided a recovery in the British Pound against the Euro, Dollar and other major currencies. We think sterling likely to slide further in coming days.

## ECONOMIC DATA

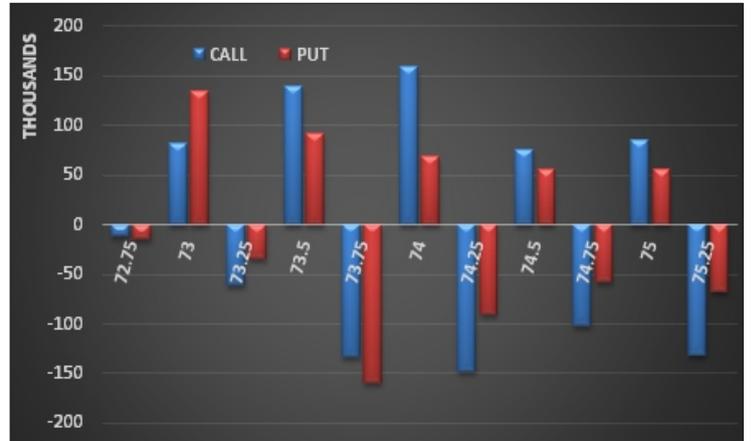
	IST	Previous	Median	SMC's Forecast
GBP Public Sector Net Borrowing	11:30	25.9B	40.6B	40.6B
USD Core Durable Goods Orders m/m	18:00	2.60%	1.00%	1.00%



USDINR Options Activity (Near Month)



USDINR OI Change (FTD)



USDINR Option Greek Data (Near Month)

28-Sep-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									
73.69																									
72.00	1.9050	1.73	24.2%	1.00	0.011	0.00	-0.01	0.01	0.0050	0.00	10.7%	0.00	0.011	0.00	0.00	0.00									
72.25	1.3700	1.49	0.0%	0.99	0.034	0.00	-0.01	0.01	0.0050	0.00	9.4%	-0.01	0.034	0.00	0.00	0.00									
72.50	1.3750	1.24	18.1%	0.98	0.084	0.00	-0.01	0.01	0.0050	0.00	8.0%	-0.02	0.084	0.00	0.00	0.00									
72.75	1.1425	1.00	16.5%	0.95	0.177	0.01	-0.02	0.01	0.0025	0.01	5.9%	-0.05	0.177	0.01	-0.01	0.00									
73.00	0.9100	0.77	14.7%	0.88	0.315	0.01	-0.02	0.01	0.0050	0.03	5.2%	-0.12	0.315	0.01	-0.01	0.00									
73.25	0.6600	0.56	12.0%	0.79	0.473	0.02	-0.03	0.01	0.0175	0.08	4.9%	-0.21	0.473	0.02	-0.02	0.00									
73.50	0.4350	0.38	9.9%	0.65	0.600	0.03	-0.04	0.01	0.0300	0.15	3.6%	-0.35	0.600	0.03	-0.02	0.00									
73.75	0.2400	0.24	8.0%	0.49	0.646	0.03	-0.04	0.00	0.0800	0.25	2.3%	-0.51	0.646	0.03	-0.03	0.00									
74.00	0.1200	0.14	7.4%	0.34	0.591	0.028	-0.03	0.00	0.2125	0.40	0.0%	-0.66	0.591	0.03	-0.02	-0.01									
74.25	0.0475	0.07	6.9%	0.20	0.459	0.02	-0.02	0.00	0.4000	0.59	0.0%	-0.80	0.459	0.02	-0.01	-0.01									
74.50	0.0300	0.03	7.8%	0.11	0.304	0.01	-0.02	0.00	0.6150	0.80	0.0%	-0.89	0.304	0.01	0.00	-0.01									
74.75	0.0150	0.01	8.2%	0.05	0.171	0.01	-0.01	0.00	0.8600	1.03	0.0%	-0.95	0.171	0.01	0.00	-0.01									
75.00	0.0050	0.00	8.0%	0.02	0.083	0.00	0.00	0.00	1.1100	1.27	0.0%	-0.98	0.083	0.00	0.01	-0.01									
75.25	0.0050	0.00	9.3%	0.01	0.034	0.00	0.00	0.00	1.3700	1.52	0.0%	-0.99	0.034	0.00	0.01	-0.01									
75.50	0.0075	0.00	11.3%	0.00	0.012	0.00	0.00	0.00	1.6375	1.76	0.0%	-1.00	0.012	0.00	0.01	-0.01									

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