



# FX DAILY DOSSIER

January 05, 2021

## KEY MARKET THEME

- Indian Rupee likely to head lower as oil prices surpassed \$50 for the first time since February 2020.
- Markets remains subdued as investors waiting for the US state Georgia Senate election results.
- A democratic control of the senate will push dollar lower further.

FX Majors	CMP	1W	1M
EURUSD	1.2286	-0.11%	1.67%
GBPUSD	1.3605	-0.15%	1.48%
USDJPY	102.79	-0.40%	-1.39%

FX Cross INR	CMP	1W	1M
USDINR	73.18	-0.01%	-0.74%
EURINR	89.93	-0.10%	0.96%
GBPINR	99.58	-0.14%	0.73%
JPYINR	71.20	0.39%	0.65%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	5.86%	-12.10	-4.50
US	0.98%	4.61	0.92
Germany	-0.57%	-2.54	-2.80
UK	0.21%	-4.21	-13.97

Flows	DTD	WTD	MTD
FII's (INR Crs)	986.30	3,335.73	3,335.73

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

## MACRO ANALYSIS

Indian Rupee likely to remain weak for the day as gradually oil prices started to creep higher and touched \$54 for the first time since February 2020 after Saudi Arabia has pledged to slash an extra 1m barrels a day of oil output in February and March during the Opec+ meet ended yesterday.

Overnight US equities rebounded following a sharp sell-off on the first trading day of the new year, as investors eyed run-off Senate elections in Georgia that could determine the direction of the dollar, fiscal stimulus and US tax policy as mentioned in FT.

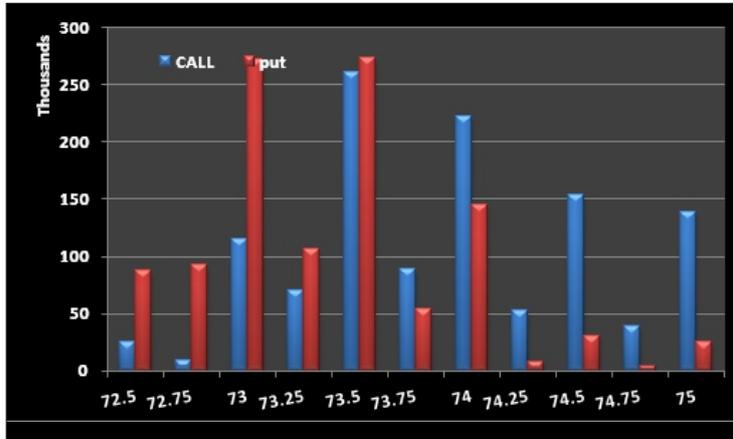
Meanwhile euro and pound both supported and the dollar fall continue against as investors and hedgers are observing the Georgia residents cast ballots in a runoff election to decide which party will hold the Senate majority. A democratic control of the Senate would be an indication of looser fiscal and monetary to come and may have negative implications for US treasuries and the US dollar.

## ECONOMIC DATA

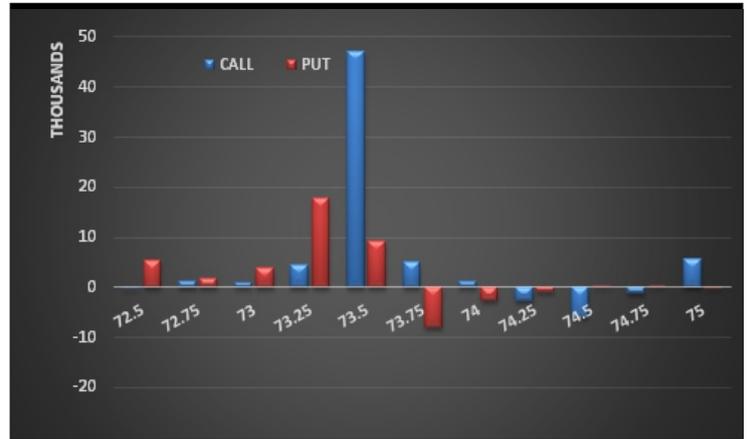
	IST	Previous	Median	SMC's Forecast
USD ADP Non-Farm Employment Change	18:45	307K	60K	60K
GBP BOE Gov Bailey Speaks	19:30			



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
73.05	0.0000	2.04	0.0%	0.98	0.054	0.01	-0.01	0.04	0.0000	0.01	0.3%	-0.02	0.054	0.01	0.00	0.00
71.25	0.0000	2.04	0.0%	0.98	0.054	0.01	-0.01	0.04	0.0100	0.02	5.4%	-0.04	0.085	0.02	0.00	0.00
71.50	1.7225	1.80	0.0%	0.96	0.085	0.02	-0.01	0.04	0.0150	0.03	5.1%	-0.07	0.126	0.02	0.00	0.00
71.75	1.4625	1.57	0.0%	0.93	0.126	0.02	-0.01	0.04	0.0300	0.05	5.1%	-0.11	0.175	0.03	0.00	0.00
72.00	1.4100	1.34	7.8%	0.89	0.175	0.03	-0.02	0.04	0.0425	0.09	4.8%	-0.16	0.230	0.04	0.00	-0.01
72.25	1.2150	1.13	7.9%	0.84	0.230	0.04	-0.02	0.03	0.0700	0.14	4.6%	-0.22	0.284	0.05	0.00	-0.01
72.50	0.9475	0.93	6.4%	0.78	0.284	0.05	-0.02	0.03	0.1125	0.20	4.5%	-0.30	0.331	0.06	-0.01	-0.01
72.75	0.7425	0.74	6.0%	0.70	0.331	0.06	-0.02	0.03	0.1900	0.29	4.5%	-0.39	0.364	0.07	0.00	-0.02
73.00	0.5750	0.58	5.9%	0.61	0.364	0.07	-0.02	0.03	0.2875	0.40	4.4%	-0.48	0.379	0.07	0.00	-0.02
73.25	0.4250	0.44	5.8%	0.52	0.379	0.070	-0.02	0.02	0.4200	0.53	4.4%	-0.58	0.373	0.07	0.00	-0.02
73.50	0.3025	0.32	5.7%	0.42	0.373	0.07	-0.01	0.02	0.5750	0.69	4.2%	-0.66	0.347	0.06	0.00	-0.03
73.75	0.2075	0.23	5.6%	0.34	0.347	0.06	-0.01	0.01	0.7550	0.86	3.8%	-0.75	0.305	0.06	0.00	-0.03
74.00	0.1450	0.16	5.7%	0.25	0.305	0.06	-0.01	0.01	0.9600	1.06	2.8%	-0.81	0.254	0.05	0.00	-0.03
74.25	0.1000	0.11	5.9%	0.19	0.254	0.05	-0.01	0.01	1.1825	1.27	0.0%	-0.87	0.201	0.04	0.01	-0.04
74.50	0.0750	0.07	6.2%	0.13	0.201	0.04	-0.01	0.01	1.4500	1.49	0.0%	-0.91	0.150	0.03	0.01	-0.04
74.75	0.0525	0.04	6.4%	0.09	0.150	0.03	0.00	0.00								

**Currency Research Team**

**Arnob Biswas - Fundamental Analyst**  
arnobbiswas@smcindiaonline.com

**Tapish Pandey - Technical Analyst**  
tapishpandey@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



Moneywise. Be wise.

**Corporate Office:**  
11/6B, Shanti Chamber,  
Pusa Road, New Delhi - 110005  
Tel: +91-11-30111000  
www.smcindiaonline.com

**Mumbai Office:**  
Lotus Corporate Park, A Wing 401 / 402, 4th Floor,  
Graham Firth Steel Compound, Off Western  
Express Highway, Jay Coach Signal, Goreagon  
(East) Mumbai - 400063  
Tel: 91-22-67341600, Fax: 91-22-67341697

**Kolkata Office:**  
18, Rabindra Sarani, Poddar Court, Gate No-4,  
5th Floor, Kolkata - 700001  
Tel.: 033 6612 7000/033 4058 7000  
Fax: 033 6612 7004/033 4058 7004

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