



Derivative strategy Long strangle (Till Expiry):

Buy USDINR call strike price 65 Oct @ 0.35 Paisa

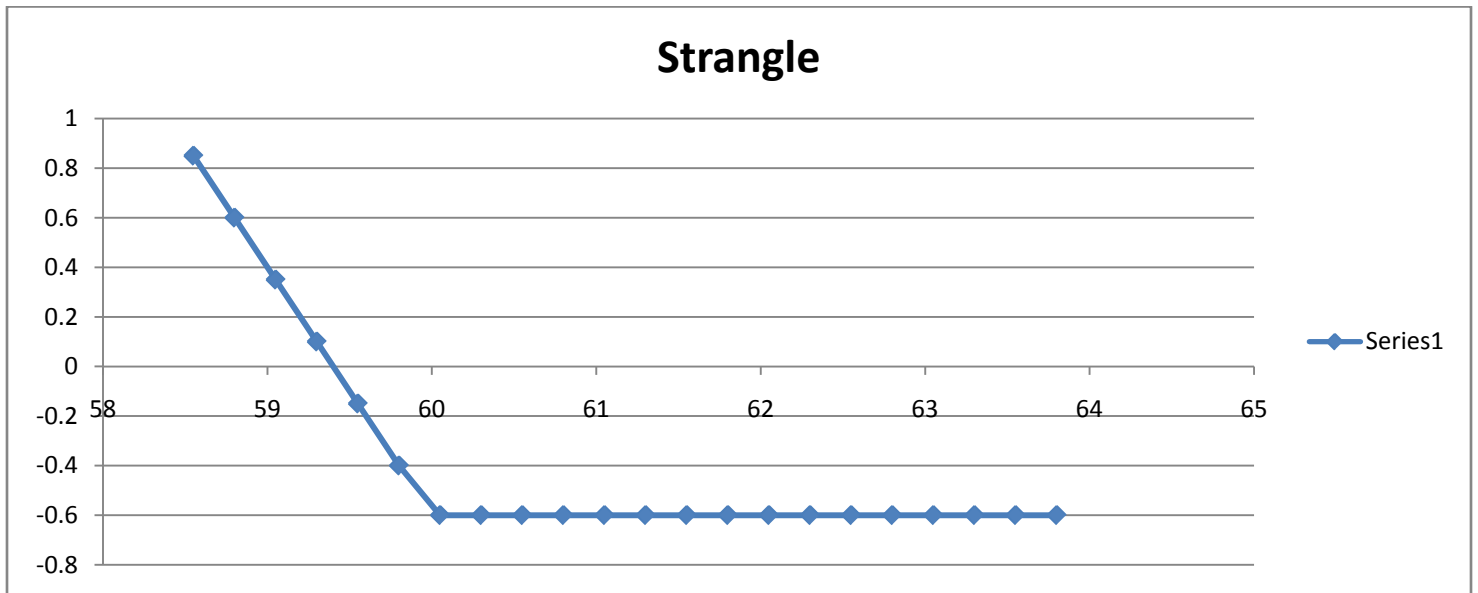
Buy USDINR Put strike price 60 Oct @0.25. Future price – Oct 29, 62.30

Net Debit	Maximum Risk	Maximum Reward	Breakeven down	Breakeven up
0.60	0.60	Uncapped	59.40	65.60

Futures	Payoff_Longcall	Payoff_Longput	Net	Rs per Lot
57.8	-0.35	1.95	1.6	1600
58.05	-0.35	1.7	1.35	1350
58.3	-0.35	1.45	1.1	1100
58.55	-0.35	1.2	0.85	850
58.8	-0.35	0.95	0.6	600
59.05	-0.35	0.7	0.35	350
59.3	-0.35	0.45	0.1	100
59.55	-0.35	0.2	-0.15	-150
59.8	-0.35	-0.05	-0.4	-400
60.05	-0.35	-0.25	-0.6	-600
60.3	-0.35	-0.25	-0.6	-600
60.55	-0.35	-0.25	-0.6	-600
60.8	-0.35	-0.25	-0.6	-600
61.05	-0.35	-0.25	-0.6	-600
61.3	-0.35	-0.25	-0.6	-600
61.55	-0.35	-0.25	-0.6	-600
61.8	-0.35	-0.25	-0.6	-600
62.05	-0.35	-0.25	-0.6	-600
62.3	-0.35	-0.25	-0.6	-600
62.55	-0.35	-0.25	-0.6	-600
62.8	-0.35	-0.25	-0.6	-600
63.05	-0.35	-0.25	-0.6	-600
63.3	-0.35	-0.25	-0.6	-600
63.55	-0.35	-0.25	-0.6	-600
63.8	-0.35	-0.25	-0.6	-600
64.05	-0.35	-0.25	-0.6	-600
64.3	-0.35	-0.25	-0.6	-600
64.55	-0.35	-0.25	-0.6	-600



64.8	-0.35	-0.25	-0.6	-600
65.05	-0.3	-0.25	-0.55	-550
65.3	-0.05	-0.25	-0.3	-300
65.55	0.2	-0.25	-0.05	-50
65.8	0.45	-0.25	0.2	200
66.05	0.7	-0.25	0.45	450
66.3	0.95	-0.25	0.7	700
66.55	1.2	-0.25	0.95	950
66.8	1.45	-0.25	1.2	1200
67.05	1.7	-0.25	1.45	1450



The Outlook

Conclusion: Through the above strategy one should make max profit 1.2 Rs or Rs 1200 per lot if USD-INR moves down below 58 levels while if it moves above 66.50 in the Oct month.

However, If USD-INR remains between range of 60.05-64.68 then loss will be limited to the total premium paid = 0.60 Rs.



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