



LKP

Since 1948

❖ Currency

- USDINR
- EURINR
- GBPINR
- JPYINR

CURRENCY MARKET- UPDATES



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CURRENCY - UPDATE

Item	Open	High	Low	Close	% Cng	RSI	Trend
Precious Metals							
Gold \$	1744.7	1749.5	1742.5	1746.8	0.1	60.8	↑
Silver \$	34.1	34.2	34.0	34.1	-0.1	62.7	↓
Base Metal							
LME Alum.	2250	2260	2247	2248	-0.3	58.6	↓
LME Copper	8490	8525	8479	8522	0.2	61.7	↑
LME Lead	2162	2205	2162	2200	0.5	55.3	↑
LME Nickel	21715	21715	21600	21650	-0.3	66.8	↓
LME Zinc	2121	2126	2115	2125	0.2	60.5	↑
Energy							
Crude \$	96.9	99.0	95.9	98.4	1.5	47.9	↑
Nat. Gas \$	2.97	3.00	2.83	2.832s	-0.12	46.7	↓
Currency							
Dollar Index	78.56	78.63	78.51	78.58	0.0	40.9	↑
Euro	1.3259	1.3266	1.3240	1.3253	-0.1	57.7	↓
GB Pound	1.5895	1.5902	1.5885	1.5899	0.0	65.1	↑
Japan YEN	76.760	77.010	76.760	76.950	0.3	49.9	↑
Rus. Rouble	29.76	29.78	29.75	29.77	0.0	32.5	↑
Singapore	1.246	1.246	1.241	1.242	-0.3	32.2	↓
Canadian	0.994	0.996	0.994	0.995	0.1	38.6	↑
Swissfranc	0.911	0.913	0.911	0.912	0.1	40.8	↑
RMB	6.305	6.305	6.294	6.295	-0.2	38.8	↓

TIME	ZONE	DATA	Forecast	Previous
1:30am	USD	Consumer Credit m/m	7.7B	20.4B
12:30pm	EUR	German Trade Balance	14.1B	15.1B
1:15pm	EUR	French Gov Budget Balance		-97.2B
9:00pm	USD	Crude Oil Inventories	2.9M	4.2M
9:10pm	USD	FOMC Member Williams Speaks		

Market Update

India's economic growth may dip below 7 percent in the current fiscal year, the slowest pace since the 2008 financial crisis, restrained by the Reserve Bank's inflation-fighting campaign and government gridlock. The government forecast 6.9 percent annual growth for the fiscal year that ends in March, a tad below the 7 percent to 7.5 percent growth predicted by several government officials. It would mark a sharp decline from the prior year's 8.4 percent growth rate, and a reversal of fortune for a country that until recently aspired to double-digit growth like China. The Indian economy has slowed as the euro zone crisis combined with tight monetary policy and political paralysis at home have discouraged investment.

Indian cash rates ended marginally higher on Tuesday as demand for funds persisted in the second week of the two-week reporting cycle, although hopes that the central bank will continue to infuse cash through debt purchases kept a lid on rates. Demand for cash is typically strong in the first week of the two-week reporting cycle as most banks prefer to meet the mandated reserve needs as early as possible to reduce exposure to likely volatility in the latter half of the period. The RBI has bought about 807.2 billion rupees (\$16.4 billion) of bonds via open market operations (OMOs) since late November. Last month's cut in banks' cash reserve ratio (CRR) was helping to rein in rates, traders said. The 50-basis point CRR cut is estimated to have released around 320 billion rupees into the banking system on Jan. 28. The CRR is the share of deposits banks must hold as cash with the central bank. Banks borrowed 911 billion rupees from the RBI's repo auction under the liquidity adjustment facility on Tuesday, down from 987.6 billion rupees on Monday. Volume in the call money market was 118.38 billion rupees, up from Monday's volume of 105.42 billion, data from the Clearing Corporation of India showed.



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USDINR



USDINR yesterday traded with the Positive node and settled 0.74% up at 49.32. Some support had been seen from the spot market also which closed at 49.06 that is up by 0.78ps. In yesterday's trading session USDINR has touched the low of 48.83 after opening at 48.9, and finally settled at 49.32. For today's session market is looking to take support at 48.98, a break below could see a test of 48.63 and where as resistance is now likely to be seen at 49.52, a move above could see prices testing 49.71. Spread between USDINR FEB & MAR contracts yesterday ended at 0.31, we have seen yesterday that the USDINR market had traded with a Positive node and settled 0.74% up. Spread yesterday traded in the range of 0.08 - 0.32.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
49.32	49.32	49.26	49.29	-0.17	-0.09	33,016	721026	49.32	49.35	49.38	49.29	49.26	49.23	49.21

Trading Ideas :

- # USDINR trading range for the day is 49.233-49.347.
- # Rupee fell as oil importers' demand for dollar and negative local share market offset comfort from dollar inflows
- # 2011/12 GDP growth estimated at 6.9 pct vs 8.4 pct in 2010/11
- # Spread between USDINR FEB & MAR contracts yesterday ended at 0.34.
- # RBI Reference rate for USDINR was 48.915
- # BUY USDINR @ 49.10-49.17 SL 48.90 TGT 49.34-49.56. (BTST)



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EURINR



EURINR yesterday traded with the negative node and settled -0.23% down at 64.35. Some pressure had been seen from the spot market also which closed at 1.3109 that is down by -0.16ps. In yesterday's trading session EURINR has touched the low of 63.8525 after opening at 64.35, and finally settled at 64.35. For today's session market is looking to take support at 64, a break below could see a test of 63.65 and where as resistance is now likely to be seen at 64.55, a move above could see prices testing 64.76. Spread between EURINR FEB & MAR contracts yesterday ended at 0.43, we have seen yesterday that the EURINR market had traded with a negative node and settled -0.23% down. Spread yesterday traded in the range of 0.09 - 0.43.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
65.20	65.34	65.16	65.31	0.78	0.50	699	13349	65.38	65.45	65.56	65.27	65.20	65.09	65.02

Trading Ideas :

- # EURINR trading range for the day is 65.087-65.447.
- # Euro slipped but stayed within its recent range as investors waited to see whether Greece will agree to painful austerity measures
- # Athens baulking at accepting painful terms for new package
- # EURINR looks to test support at 64.48 and resistance is seen at 65.02.
- # RBI Reference rate for EURINR was 64.1188
- # BUY EURINR @ 65.10 SL 64.90 TGT 65.35-65.50



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GBP INR



GBP INR yesterday traded with the positive node and settled 0.07% up at 77.5875. Some pressure had been seen from the spot market also which closed at 1.5808 that is down by -0.06ps. In yesterday's trading session GBP INR has touched the low of 77.04 after opening at 77.3975, and finally settled at 77.5875. For today's session market is looking to take support at 77.2, a break below could see a test of 76.82 and where as resistance is now likely to be seen at 77.81, a move above could see prices testing 78.04. Spread between GBP INR FEB & MAR contracts yesterday ended at 0.47, we have seen yesterday that the GBP INR market had traded with a positive node and settled 0.07% up. Spread yesterday traded in the range of 0.3 - 0.47.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
78.25	78.32	78.24	78.30	0.37	0.29	93	9660	78.33	78.37	78.41	78.29	78.26	78.21	78.18

Trading Ideas :

- # GBP INR trading range for the day is 78.21-78.366.
- # Sterling rose tracking broad gains in riskier currencies on expectations Greece might secure a second bailout
- # May come under pressure as more BoE QE expected on Thursday
- # GBP INR is taking resistance at 78.27 and support is seen at 77.64.
- # RBI Reference rate for GBP INR was 77.3053
- # WAIT FOR ENTRY IN GBP INR



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SPREAD MATRIX FOR USDINR				
MONTH	RATE	FEB	MAR	APR
FEB	49.29		0.323	0.648
MAR	49.62			0.325
APR	49.94			

SPREAD MATRIX FOR EURINR				
MONTH	RATE	FEB	MAR	APR
FEB	65.31		0.385	0.065
MAR	65.70			-0.320
APR	65.38			

SPREAD MATRIX FOR GBPINR				
MONTH	RATE	FEB	MAR	APR
FEB	78.30		0.130	0.29
MAR	78.43			0.16
APR	78.59		-2.00	

SPREAD MATRIX FOR JPYINR				
MONTH	RATE	FEB	MAR	APR
FEB	64.07		0.65	1.18
MAR	64.72			0.53
APR	65.25			

MAJOR CURRENCY CROSS RATES						
Last Trade		INR	U.S. \$	Euro €	U.K. £	¥en
1 INR	=	-	0.0204	0.0154	0.0128	1.5699
1 U.S. \$	=	49.03	-	0.7546	0.6289	76.9715
1 Euro €	=	64.97	1.3252	-	0.8334	102.0026
1 U.K. £	=	77.96	1.5901	1.1999	-	122.3917
1 ¥en	=	0.64	0.0130	0.0098	0.0082	-

RBI Reference Rate		
Date	8-Feb-12	7-Feb-12
USD	48.915	48.679
EURO	64.119	63.568
YEN	77.305	76.752
GBP	63.790	63.460



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