



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 \$	1721.5	1722.7	1714.7	1715.7	-0.4	52.3	↓
Silver \$	33.7	33.7	33.5	33.5	-0.6	55.9	↓
Base Metal							
LME Alum.	2219	2221	2213	2215	-0.1	50.7	↓
LME Copper	8442	8459	8426	8435	-0.2	54.1	↓
LME Lead	2125	2130	2125	2125	0.1	47.2	↑
LME Nickel	20660	20780	20660	20665	0.2	53.4	↑
LME Zinc	2075	2080	2065	2073	0.2	50.6	↑
Energy							
Crude \$	99.6	100.8	99.4	100.8	2.2	53.7	↑
Nat. Gas \$	2.94	2.95	2.90	2.929s	-0.05	52.5	↓
Currency							
Dollar Index	79.14	79.20	79.08	79.16	0.3	48.4	↑
Euro	1.3184	1.3192	1.3143	1.3162	-0.2	51.7	↓
GB Pound	1.5763	1.5770	1.5706	1.5708	-0.4	51.5	↓
Japan YEN	77.550	77.630	77.370	77.590	0.1	57.7	↑
Rus. Rouble	29.94	29.97	29.89	29.95	0.1	37.3	↑
Singapore	1.256	1.261	1.255	1.260	0.4	46.4	↑
Canadian	1.000	1.002	0.999	1.001	0.2	47.1	↑
Swissfranc	0.916	0.919	0.916	0.918	0.1	45.1	↑
RMB	6.297	6.301	6.297	6.300	0.1	40.9	↑

TIME	ZONE	DATA	Forecast	Previous
8:15am	USD	FOMC Member Williams Speaks		
1:15pm	EUR	French Prelim Non-Farm Payrolls q/q	0.002	
3:30pm	EUR	German ZEW Economic Sentiment	-11.8	-21.6
3:30pm	EUR	Industrial Production m/m	-0.011	-0.001
3:30pm	EUR	ZEW Economic Sentiment	-21.1	-32.5
7:00pm	USD	Core Retail Sales m/m	0.006	-0.002
7:00pm	USD	Retail Sales m/m	0.008	0.001

Market Update

Bond yields were steady on Monday as traders were expecting that the Reserve Bank of India might buy debt through open market operations to support a scheduled bond auction in the week. The 10-year benchmark bond yield was at 8.19 percent, steady from its close on Friday. India is scheduled to raise 120 billion rupees (\$2.43 billion) by auctioning bonds in the week to Feb 17, as per the government's auction calendar. The RBI has bought debt worth 806.97 billion rupees through open market operations since November to inject cash in the banking system to help the market absorb the huge government borrowing. New Delhi has already raised its borrowing target twice in the current financial year, taking the total to 5.10 trillion rupees, to help bridge the country's yawning fiscal gap.

Indian cash rates for three-day loans ended lower on Friday as demand for funds waned in late trade after most banks met their reserve needs ahead of the weekend. The three-day cash rate ended at 8.50/8.60 percent, compared with Thursday's close of 8.70/75 percent for one-day loans. Typically, rates turn volatile on the last day of the two-week cycle as some banks try to deploy excess funds, while others rush to cover any unexpected cash outflows. Banks borrowed 867.05 billion rupees (\$17.52 billion) from the RBI's first repo counter under the liquidity adjustment facility on Friday, down from 1.31 trillion rupees on Thursday. Last month's cut in the cash reserve ratio (CRR) for banks has also helped to rein in cash rates, traders said. The 50-basis point CRR cut is estimated to have released about 320 billion rupees into the banking system on Jan. 28.



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USDINR



USDINR yesterday traded with the Negative node and settled -0.62% down at 49.3425. Some pressure had been seen from the spot market also which closed at 49.2 that is down by Ops. In yesterday's trading session USDINR has touched the low of 49.3 after opening at 49.7, and finally settled at 49.3425. For today's session market is looking to take support at 49.19, a break below could see a test of 49.04 and where as resistance is now likely to be seen at 49.61, a move above could see prices testing 49.87. Spread between USDINR FEB & MAR contracts yesterday ended at 0.35, we have seen yesterday that the USDINR market had traded with a Negative node and settled -0.62% down. Spread yesterday traded in the range of 0.29 - 0.35.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
49.70	49.72	49.30	49.34	-0.62	-0.31	2,226,507	600827	49.61	49.87	50.02	49.45	49.19	49.04	48.78

Trading Ideas :

- # USDINR trading range for the day is 49.038-49.868.
- # Rupee rose powered by robust dollar inflows on improved risk appetite
- # Dollar demand seen from oil companies, gold importers
- # Spread between USDINR FEB & MAR contracts yesterday ended at 0.35.
- # RBI Reference rate for USDINR was 49.318
- # BUY USDINR ABV 49.38 SL 49.20 TGT 49.50-49.72.



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EURINR



EURINR yesterday traded with the negative node and settled -0.53% down at 65.4075. Some pressure had been seen from the spot market also which closed at 1.3162 that is down by -0.17ps. In yesterday's trading session EURINR has touched the low of 65.38 after opening at 65.56, and finally settled at 65.4075. For today's session market is looking to take support at 65.26, a break below could see a test of 65.11 and where as resistance is now likely to be seen at 65.68, a move above could see prices testing 65.94. Spread between EURINR FEB & MAR contracts yesterday ended at 0.40, we have seen yesterday that the EURINR market had traded with a negative node and settled -0.53% down. Spread yesterday traded in the range of 0.36 - 0.55.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
65.56	65.80	65.38	65.41	-0.53	-0.35	43,987	18773	65.68	65.94	66.09	65.53	65.26	65.11	64.85

Trading Ideas :

- # EURINR trading range for the day is 65.113-65.943.
- # Euro rose on hopes a new Greek agreement on strict financial reforms will be enough to secure critical bailout funds
- # Hurdles remain ahead of euro zone finmins meeting
- # EURINR looks to test support at 65.26 and resistance is seen at 65.68.
- # RBI Reference rate for EURINR was 65.352
- # SELL EURINR BELOW 65.25 SL 65.60 TGT 65.05-64.80.



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GBPINR



GBPINR yesterday traded with the negative node and settled -0.71% down at 78.0175. Some pressure had been seen from the spot market also which closed at 1.5708 that is down by -0.36ps. In yesterday's trading session GBPINR has touched the low of 77.86 after opening at 78.535, and finally settled at 78.0175. For today's session market is looking to take support at 77.74, a break below could see a test of 77.46 and where as resistance is now likely to be seen at 78.42, a move above could see prices testing 78.81. Spread between GBPINR FEB & MAR contracts yesterday ended at 0.48, we have seen yesterday that the GBPINR market had traded with a negative node and settled -0.71% down. Spread yesterday traded in the range of 0.32 - 0.49.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
78.54	78.54	77.86	78.02	-0.71	-0.56	9,059	8454	78.42	78.81	79.09	78.14	77.74	77.46	77.07

Trading Ideas :

- # GBPINR trading range for the day is 77.463-78.813.
- # Sterling rose buoyed along with other riskier assets after Greece's parliament approved an austerity bill
- # Eyes on clues about whether BoE will do more QE
- # GBPINR is taking resistance at 78.42 and support is seen at 77.74.
- # RBI Reference rate for GBPINR was 77.8435
- # SELL GBPINR BELOW 77.90 SL 78.20 TGT 77.62.



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SPREAD MATRIX FOR USDINR				
MONTH	RATE	FEB	MAR	APR
FEB	49.34		0.347	0.720
MAR	49.69			0.373
APR	50.06			

SPREAD MATRIX FOR EURINR				
MONTH	RATE	FEB	MAR	APR
FEB	65.41		0.398	0.692
MAR	65.81			0.295
APR	66.10			

SPREAD MATRIX FOR GBPINR				
MONTH	RATE	FEB	MAR	APR
FEB	78.02		0.475	1.53
MAR	78.49			1.05
APR	79.55		-2.00	

SPREAD MATRIX FOR JPYINR				
MONTH	RATE	FEB	MAR	APR
FEB	63.51		0.38	1.25
MAR	63.89			0.87
APR	64.76			

MAJOR CURRENCY CROSS RATES						
Last Trade		INR	U.S. \$	Euro €	U.K. £	¥en
1 INR	=	–	0.0203	0.0154	0.0129	1.5776
1 U.S. \$	=	49.20	–	0.7596	0.6364	77.6125
1 Euro €	=	64.76	1.3164	–	0.8378	102.1729
1 U.K. £	=	77.30	1.5713	1.1936	–	121.9502
1 ¥en	=	0.63	0.0129	0.0098	0.0082	–

RBI Reference Rate		
Date	14-Feb-12	13-Feb-12
USD	49.318	49.645
EURO	65.352	65.800
YEN	77.844	78.354
GBP	63.560	63.940



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