



LKP

Since 1948

❖ Currency

- USDINR
- EURINR
- GBPINR
- JPYINR

CURRENCY MARKET- UPDATES



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Item	Open	High	Low	Close	% Cng	RSI	Trend
Precious Metals							
Gold \$	1720.5	1725.2	1718.5	1724.1	0.2	53.8	↑
Silver \$	33.6	33.7	33.5	33.7	0.4	57.0	↑
Base Metal							
LME Alum.	2223	2231	2220	2230	0.5	52.7	↑
LME Copper	8420	8464	8399	8459	0.9	54.6	↑
LME Lead	2074	2099	2074	2099	0.7	44.8	↑
LME Nickel	20200	20340	20200	20339	1.1	50.2	↑
LME Zinc	2047	2060	2047	2060	1.0	48.5	↑
Energy							
Crude \$	100.6	101.8	100.3	101.2	0.2	56.6	↑
Nat. Gas \$	2.98	3.06	2.98	3.022s	0.05	55.3	↑
Currency							
Dollar Index	79.40	79.51	79.26	79.28	-0.4	49.3	↓
Euro	1.3134	1.3157	1.3106	1.3151	0.2	51.5	↑
GB Pound	1.5691	1.5712	1.5673	1.5707	0.1	51.7	↑
Japan YEN	78.430	78.660	78.360	78.430	0.0	66.0	↑
Rus. Rouble	30.07	30.10	30.03	30.04	-0.1	38.9	↓
Singapore	1.263	1.267	1.260	1.260	-0.2	45.8	↓
Canadian	0.999	1.000	0.998	0.998	-0.1	42.1	↓
Swissfranc	0.919	0.921	0.917	0.918	-0.1	45.4	↓
RMB	6.298	6.300	6.300	6.299	0.0	39.8	↑

TIME	ZONE	DATA	Forecast	Previous
4:10am	USD	FOMC Member Lockhart Speaks		
12:00pm	EUR	French Prelim GDP q/q	-0.002	0.003
12:30pm	EUR	German Prelim GDP q/q	-0.003	0.005
2:30pm	EUR	Italian Prelim GDP q/q	-0.006	-0.002
3:30pm	EUR	Flash GDP q/q	-0.003	0.001
3:30pm	EUR	Trade Balance	3.5B	6.1B
7:00pm	USD	Empire State Manufacturing Index	14.7	13.5

Market Update

India's headline inflation slowed to its lowest level in more than two years in January as food prices fell, sparking hopes that the RBI will start cutting interest rates sooner rather than later to battle the country's economic slowdown. The wholesale price index, India's main gauge of inflation, rose 6.55 percent in January from a year earlier, its slowest rise since November 2009. Tuesday's data, released by the government, was broadly in line with the 6.60 percent average forecast in a Reuters poll, after a rise of 7.47 percent in December. The Reserve Bank of India (RBI) is widely expected to start cutting interest rates in the quarter beginning April 1, as it looks to stimulate an economy that is headed for its slowest growth in three years. The central bank ran a 20-month interest rate tightening cycle until October to slow down inflation to 7 percent by March. Economists expect the RBI, during 2012, to cut its policy rate by 100 basis points from the current 8.5 percent, with a cut of 50 basis points in the April-June quarter.

Indian federal bond yields edged lower on Tuesday, buoyed by expectations of a lower January inflation print and hopes that the Reserve Bank of India will buy bonds in the week. Headline inflation data, which is due around 0630 GMT, will be watched for direction on the central bank's future rate action, traders said. Headline inflation rate is expected to have cooled to 6.60 percent year-on-year in January from 7.47 percent in December, helped by easing food prices, a Reuters poll showed. Global sentiments also aided buying in bonds with risk aversion setting in after rating agency Moody's warned it could downgrade top-rated sovereigns including Britain. The 10-year benchmark bond yield was at 8.19 percent, 2 basis points lower compared with its previous close of 8.21 percent. Traders said the banking system liquidity deficit, which is currently higher than levels seen before the cash reserve ratio cut in the Jan. 24 policy, has increased expectations of both OMO purchases in the near term and a CRR cut at the upcoming policy on Mar. 15.



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USDINR



USDINR yesterday traded with the Positive node and settled 0.29% up at 49.485. Some support had been seen from the spot market also which closed at 49.35 that is up by 0.3ps. In yesterday's trading session USDINR has touched the low of 49.38 after opening at 49.49, and finally settled at 49.485. For today's session market is looking to take support at 49.38, a break below could see a test of 49.28 and where as resistance is now likely to be seen at 49.59, a move above could see prices testing 49.69. Spread between USDINR FEB & MAR contracts yesterday ended at 0.34, we have seen yesterday that the USDINR market had traded with a Positive node and settled 0.29% up. Spread yesterday traded in the range of 0.34 - 0.36.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
49.49	49.59	49.38	49.49	0.29	0.14	1,935,638	583790	49.59	49.69	49.79	49.48	49.38	49.28	49.18

Trading Ideas :

- # USDINR trading range for the day is 49.278-49.688.
- # Rupee ended lower as strong dollar demand from local oil companies offset a rise in the share market
- # Indian wholesale price index rose a slower-than-expected 6.55 percent in January from a year earlier
- # Spread between USDINR FEB & MAR contracts yesterday ended at 0.34.
- # RBI Reference rate for USDINR was 49.3313
- # SELL USDINR BELOW 49.40 SL 49.62 TGT 49.26-49.12.



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CURRENCY - UPDATE

EURINR



EURINR yesterday traded with the negative node and settled -0.17% down at 65.295. Some support had been seen from the spot market also which closed at 1.3151 that is up by 0.15ps. In yesterday's trading session EURINR has touched the low of 64.96 after opening at 65.14, and finally settled at 65.295. For today's session market is looking to take support at 65.06, a break below could see a test of 64.83 and where as resistance is now likely to be seen at 65.42, a move above could see prices testing 65.55. Spread between EURINR FEB & MAR contracts yesterday ended at 0.41, we have seen yesterday that the EURINR market had traded with a negative node and settled -0.17% down. Spread yesterday traded in the range of 0.39 - 0.41.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
65.14	65.32	64.96	65.30	-0.17	-0.11	44,237	17800	65.42	65.55	65.78	65.19	65.07	64.83	64.71

Trading Ideas :

- # EURINR trading range for the day is 64.834-65.548.
- # Euro extended losses after data showed U.S. retail sales rose less than expected in January
- # Industrial production declined a seasonally adjusted 1.1 percent in December from a month ago
- # EURINR looks to test support at 65.06 and resistance is seen at 65.42.
- # RBI Reference rate for EURINR was 64.8391
- # SELL EURINR BELOW 65.15 SL 65.30 TGT 64.95 - 64.70



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GBPINR



GBPINR yesterday traded with the negative node and settled -0.11% down at 77.935. Some support had been seen from the spot market also which closed at 1.5707 that is up by 0.12ps. In yesterday's trading session GBPINR has touched the low of 77.62 after opening at 77.81, and finally settled at 77.935. For today's session market is looking to take support at 77.71, a break below could see a test of 77.49 and where as resistance is now likely to be seen at 78.07, a move above could see prices testing 78.2. Spread between GBPINR FEB & MAR contracts yesterday ended at 0.42, we have seen yesterday that the GBPINR market had traded with a negative node and settled -0.11% down. Spread yesterday traded in the range of 0.41 - 0.46.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
77.81	77.98	77.62	77.94	-0.11	-0.08	7,079	7813	78.07	78.20	78.43	77.84	77.71	77.49	77.35

Trading Ideas :

- # GBPINR trading range for the day is 77.487-78.201.
- # Sterling fell after ratings agency Moody's unnerved investors by warning it could cut UK's prized triple-A credit rating
- # BoE inflation report on Wednesday seen as key to QE clues
- # GBPINR is taking resistance at 78.07 and support is seen at 77.71.
- # RBI Reference rate for GBPINR was 77.4107
- # SELL GBPINR BELOW 77.80 SL 78.00 TGT 77.56-77.28.



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SPREAD MATRIX FOR USDINR				
MONTH	RATE	FEB	MAR	APR
FEB	49.49		0.345	0.708
MAR	49.83			0.363
APR	50.19			

SPREAD MATRIX FOR EURINR				
MONTH	RATE	FEB	MAR	APR
FEB	65.30		0.405	0.745
MAR	65.70			0.340
APR	66.04			

SPREAD MATRIX FOR GBPINR				
MONTH	RATE	FEB	MAR	APR
FEB	77.94		0.418	1.14
MAR	78.35			0.72
APR	79.08		-2.00	

SPREAD MATRIX FOR JPYINR				
MONTH	RATE	FEB	MAR	APR
FEB	63.42		0.37	1.05
MAR	63.79			0.68
APR	64.47			

MAJOR CURRENCY CROSS RATES						
Last Trade		INR	U.S. \$	Euro €	U.K. £	¥en
1 INR	=	-	0.0203	0.0154	0.0129	1.5892
1 U.S. \$	=	49.37	-	0.7608	0.6369	78.4550
1 Euro €	=	64.89	1.3145	-	0.8371	103.1252
1 U.K. £	=	77.52	1.5702	1.1946	-	123.1884
1 ¥en	=	0.63	0.0127	0.0097	0.0081	-

RBI Reference Rate		
Date	15-Feb-12	14-Feb-12
USD	49.331	49.318
EURO	64.839	65.352
YEN	77.411	77.844
GBP	63.250	63.560



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