

INR Pairs (Trading Range for the Day – Feb Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.96 (-0.06)	84.79 (0.23)	101.53 (0.23)	65.52 (0.10)
Intraday View	Rangebound	Rangebound	Upward	Rangebound
Technical Range	74.70-75.10	84.20-84.70	101.00-101.50	65.00-65.50

Important Indicators		
	DXY	BRENT CRUDE
LTP	96.02	89.16
1W back	97.20	89.88
1M back	96.22	78.89



**USDINR Futures (Feb)**

Since mid-January, trading conditions in USDINR is treacherous due to choppy movement. Lack of momentum means traders can remain on the sidelines till a clear trend emerges. On one hand, factors like persistent FPI outflows, rise in yields in GOIs and elevated oil prices are positive factors for USDINR but on the other hand, sharp drop in US Dollar Index due to poor economic data, stable global equity markets, suspected RBI intervention, healthy \$ inflow from commercials and carry trade are negatives for the pair. Lack of dominant factor is keeping the pair rangebound. A broad range of 74.40 and 75.00 is in play is now on spot. If USDINR manages to trade and sustain above 75.00, the upper end of the range can expand towards 75.30/40 levels. **One can look to sell OTM options strangles to benefit from the range.**

**GBPINR Futures (Feb)**

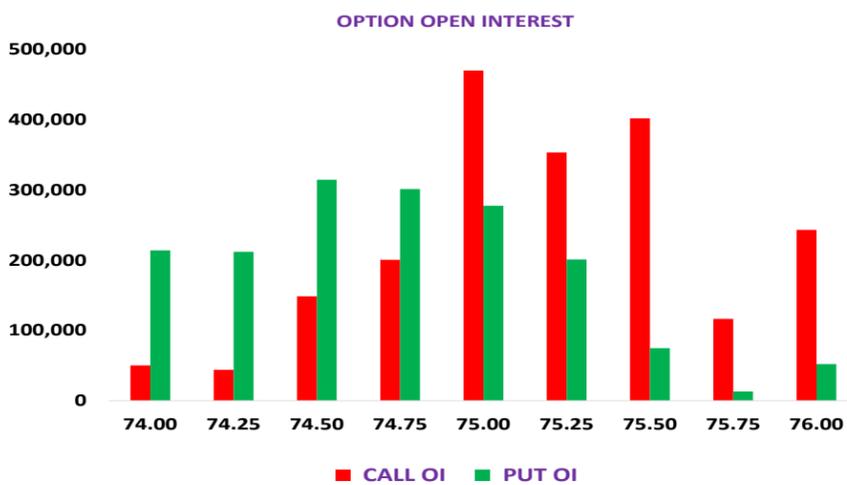
As expected, GBPINR is showing strong upward momentum as traders expect BoE to sound quite hawkish today. Some quarters expect BoE to hike rates by 25 bps, a second hike, after the last December hike. If BoE does hike it can send GBPUSD and GBPINR higher. GBPINR can aim for 102.10/20 levels. But a dovish surprise can be negative for GBP pairs. GBPINR can outperform the EURINR if BoE delivers the hike.

**EURINR Futures (Feb)**

US economy has begun to show some signs of slowdown. Over the past one economic data has surprised on the downside and yesterday, the ADP jobs data was a shocker. Unlike BoE, ECB is not expected to be hawkish. However, the speech will be carefully analysed. Any hint of a withdrawal of monetary support can be quite positive for Euro pairs. **We expect EURINR to be volatile over the next two trading sessions.**

**JPYINR Futures (Feb)**

JPYINR may remain rangebound thanks to a weak USDJPY and weak USDINR. When USDINR and USDJPY trend in same direction, JPYINR becomes locked within a range, as is the case now.



	Spot	Futures	
		Weekly Expiry 11-Feb-22	Monthly Expiry 24-Feb-22
USDINR LTP / (Previous Day)	74.79 / (74.62)	74.86 / (74.92)	74.96 / (75.03)
ATM Vols (in %)	75.00	4.50%	4.20%
ATM Straddle Price		0.42	0.60

Historical Volatility	
5 days Rolling	5.79%
21 days Rolling	4.45%

**What Options Open Interest (OI) Saying?**

Options OI accumulation from sellers are indicating a broad range of 74.50 and 75.25 for now. Implied volatility should remain subdued due to rangebound price action.

**Disclaimer & Contact:**

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