

INR Pairs (Trading Range for the Day – April Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	76.08 (0.09)	83.11 (0.07)	99.54 (0.12)	61.66 (0.18)
Intraday View	Rangebound	Rangebound	Rangebound	Rangebound
Technical Range	75.80-76.25	82.80-83.40	99.25-99.75	61.40-61.80

Important Indicators		
	DXY	BRENT CRUDE
LTP	99.57	102.82
1W back	98.35	107.40
1M back	99.24	124.08



USDINR Futures (April)

The market was prepared for US Fed to deliver very hawkish minutes and that's exactly what it got. Fed hinted that they are looking at \$95 billion per month of balance sheet reduction and possibly a couple of 50-bps rate hikes. The market expects Fed to increase rates by 250 bps in 2022. As a result, US Dollar Index and US bond yields, both pulled back a little. Asian currencies are trading flat to slightly higher against the US Dollar. With oil prices near \$100 and US Dollar Index now quite overbought, USDINR may not find the momentum to travel significantly from current levels of 75.95 on spot. At the same time, after yesterday's rally in USDINR, traders are likely to be well-positioned and chances of a price spike look less likely. Today price action may be driven by corporate flows. We are on sidelines as we wait and watch whether USDINR can break above 76.00/76.10 resistance cluster on spot. If it fails to break above that, then it can pullback towards 75.50 or else a break out can take prices towards 76.50 levels.

GBPINR Futures (April)

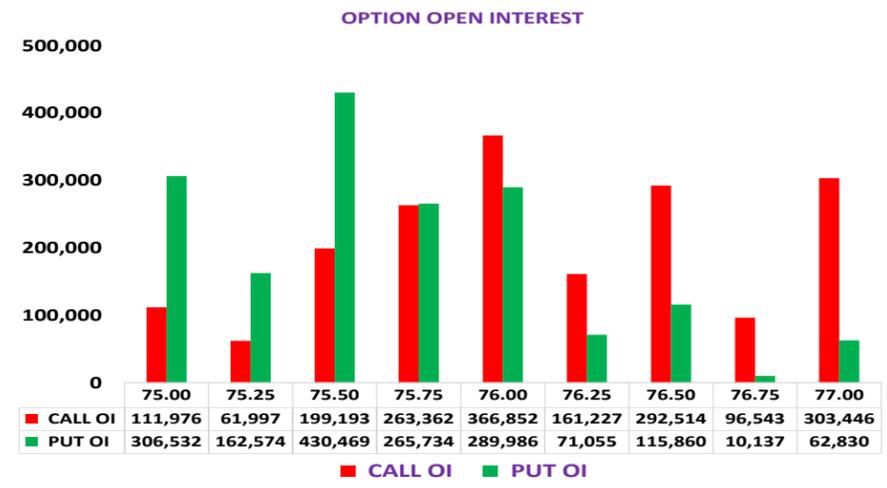
GBPINR opened, thanks to the rally in USDINR and stable GBPUSD. Yesterday, UK construction PMI expanded at a strong rate in March with output growth signaling the joint-fastest rate since June last year. The construction sector is being resilient to commodity price shocks and also supply chain issues. GBPINR could be in for a rangebound price action over the near term.

EURINR Futures (April)

Post-Fed minutes, EURUSD is flat, and hence EURINR opened flat as well. EURUSD is not out of the woods and hence corrective up move remains a selling opportunity. Post hawkish minutes, the divergence in the path of monetary policies of the fed and ECB has become even wider and will weigh on EURUSD and EURINR. Therefore, we remain bearish on EURINR on a positional basis.

JPYINR Futures (April)

With US bond yields pulling back post FOMC minutes, USDPY can see some near-term downside. This can bring about a sideways and upward trend in JPYINR. Therefore, we remain on the sidelines in JPYINR for the day.



	Spot	Futures	
		Weekly Expiry 13-Apr-22	Monthly Expiry 27-Apr-22
USDINR LTP / (Previous Day)	75.75 / (75.44)	75.92 / (75.39)	76.01 / (75.48)
ATM Vols (in %)	76.00	5.75%	5.70%
ATM Straddle Price		0.49	0.83

Historical Volatility	
5 days Rolling	6.51%
21 days Rolling	7.29%

What Options Open Interest (OI) Saying?

Options sellers are betting on rangebound price action in USDINR. Implied volatility can cool-off as event risk has passed.