

INR Pairs (Trading Range for the Day – March Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	77.23 (1.14)	83.84 (-0.21)	101.67 (0.09)	67.04 (0.85)
Intraday View	Upward	Rangebound	Rangebound	Rangebound
Technical Range	76.80-77.50	83.70-84.40	101.00-101.65	66.50-67.10

Important Indicators		
	DXY	BRENT CRUDE
LTP	99.13	126.69
1W back	97.39	107.25
1M back	95.62	91.16



USDINR Futures (March)

USDINR managed to pop above the previous all-time high around 76.91 on spot but only just. Further gains were curtailed by gallant intervention from the central bank. We suspect RBI has significantly increased the pace of intervention. It could be intervening not just in spot, but via forwards as well. With over \$40 billion longs in forwards and close to 570 billion of foreign currency assets, the firepower the RBI has is immense. If they decide to keep USDINR below 77.10/20 levels on spot, then they have that firepower. However, it also depends on oil prices as to how long can they do that. If oil cools off, then yes RBI manages to draw a red line but if oil takes off towards all-time highs above \$140, then USDINR can take off as well. Right, everything has become a play on oil prices. One is advised to use call spreads to bet on the upward trend in USDINR and abstain from futures and short options.

GBPINR Futures (March)

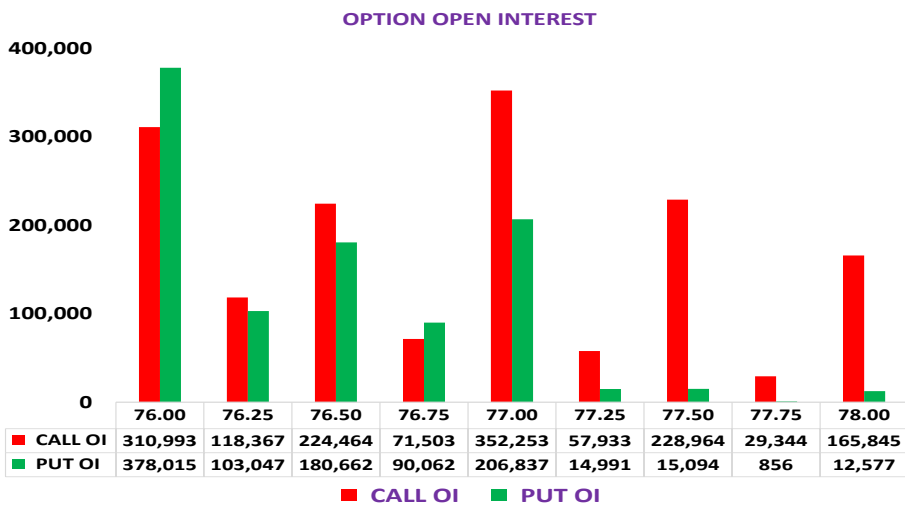
Risk-off sentiments is not allowing GBPINR to rally as GBPUSD remains under selling pressure. UK retail sales monitor, from BRC came in weaker than expected for February. High inflation seems to be taking a bite on consumer spending. GBPUSD weakness is not flowing in GBPINR due to strong USDINR. We expect the pair to remain volatile but rangebound over the near term.

EURINR Futures (March)

Eurozone investor sentiment measure from Sentix plunged in March due to the Russia-Ukraine conflict. EURUSD remains under pressure due to economic impact from the conflict and sanctions and also brewing \$ shortage is hurting EURUSD and EURINR. Bias remains of volatile but rangebound over the near term.

JPYINR Futures (March)

JPYINR remains extremely sensitive to shifts in risk appetite. Risk-off days will see sharp gap ups and follow through buying. However, sudden improvements in risk sentiments will cause deep drawdowns. Hence, stick to intra-day trades over positional ones.



	Spot	Futures	
		Weekly Expiry 11-Mar-22	Monthly Expiry 29-Mar-22
USDINR LTP / (Previous Day)	76.96 / (76.16)	77.12 / (76.24)	77.23 / (76.36)
ATM Vols (in %)	77.25	11.85%	8.80%
ATM Straddle Price		0.76	1.33

Historical Volatility	
5 days Rolling	5.81%
21 days Rolling	8.08%

What Options Open Interest (OI) Saying?

77.50 strike call sellers are accumulating considering high implied volatility and 76.50 is seeing OI build up. Weekly VIX has reached a high level from where further long Vega is not advisable. If RBI manages to cap prices, VIX can cool off.

Disclaimer & Contact:

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