

INR Pairs (Trading Range for the Day – Feb Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	75.69 (0.28)	85.57 (-0.35)	102.25 (0.02)	65.70 (0.68)
Intraday View	Upward	Rangebound	Upward	Rangebound
Technical Range	75.40-75.80	85.35-85.75	102.15-102.60	65.30-65.70

Important Indicators		
	DXY	BRENT CRUDE
LTP	96.18	95.96
1W back	95.62	91.16
1M back	95.25	86.53

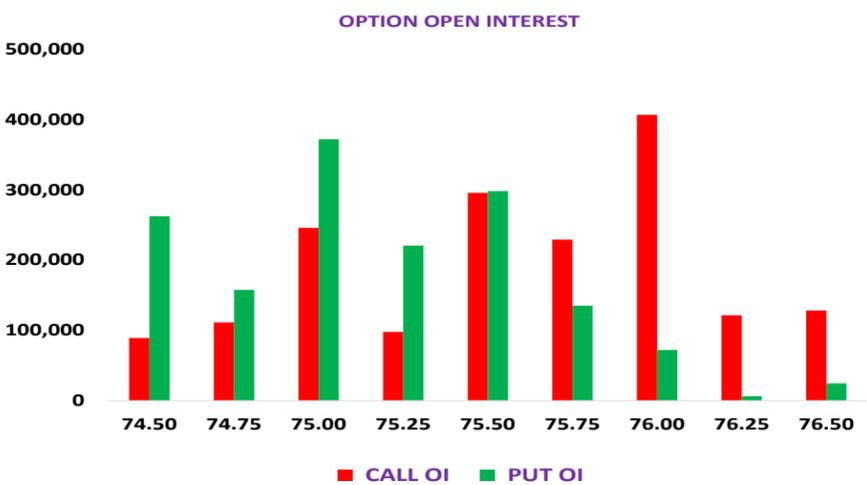


**USDINR Futures (Feb)**  
Crude oil price continues to march higher and FPI continues to exit their holdings in Indian stocks and bonds. FPI has sold nearly \$5.8 billion YTD and nearly \$12 billion since September end of last year. However, this relentless selling has been matched by FDI inflows and ECB inflows. Carry traders have not shown any signs of panic even though oil prices are near \$100 mark, a 7 year high. Strong commercial flows and favourable real yields are what keep them in Rupee. As a result, though there is an upward drift in USDINR, the pace is excruciatingly slow. The question is, if tensions ease and oil prices reverse, then USDINR can reverse with a faster speed. As of now, **bias remains upward as long as prices sustain above 75.20 on spot. Focus on bullish strategies with a closing stop below 75.20 as a spot reference.**

**GBPINR Futures (Feb)**  
UK jobs report will be closely watched today for cues about health of labour market, trend of real wages which a proxy of consumer purchasing power and finally wage inflation, which is being monitored by BoE. A stronger report on these three counts can send GBPUSD and GBPINR higher. **Bias continues to be upward. Support near 102.00 levels and resistance near 102.70 levels.**

**EURINR Futures (Feb)**  
German ZEW economic sentiment and Eurozone ZEW economic sentiment will be keenly watched by Euro traders. Consensus is for a stronger report. However, the ongoing Ukraine tensions is keeping Euro under pressure. But due to strong USDINR, **bias remains of a range in EURINR.**

**JPYINR Futures (Feb)**  
A pullback in US bond yields and risk-off sentiments has allowed USDJPY to fall. A pullback in USDJPY and uptrend in USDINR has caused JPYINR to push towards 66 levels. **Bias remains of a range, to slightly upward move in JPYINR.**



	Spot	Futures	
		Weekly Expiry 18-Feb-22	Monthly Expiry 24-Feb-22
USDINR LTP / (Previous Day)	75.59 / (74.38)	75.67 / (75.37)	75.69 / (75.41)
ATM Vols (in %)	<b>75.75</b>	6.40%	5.60%
ATM Straddle Price		0.41	0.57

Historical Volatility	
5 days Rolling	3.34%
21 days Rolling	4.16%

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

A large open interest is outstanding in the 76 strike call options as sellers betting on USDINR to remain below 76 levels till Feb end. Implied volatility is quoting a sizable premium over realised volatility due to spike in Equity VIX and oil price spiral upwards. If the oil prices cool-off then IV can converge with RV.

### Disclaimer & Contact:

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