

INR Pairs (Trading Range for the Day – March Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.84 (-0.12)	85.06 (-0.14)	101.88 (-0.14)	65.23 (0.09)
Intraday View	Rangebound	Rangebound	Rangebound	Upward
Technical Range	74.60-75.20	84.45-85.05	101.55-102.10	65.10-65.60

Important Indicators		
	DXY	BRENT CRUDE
LTP	96.18	96.61
1W back	95.98	93.36
1M back	95.86	87.09

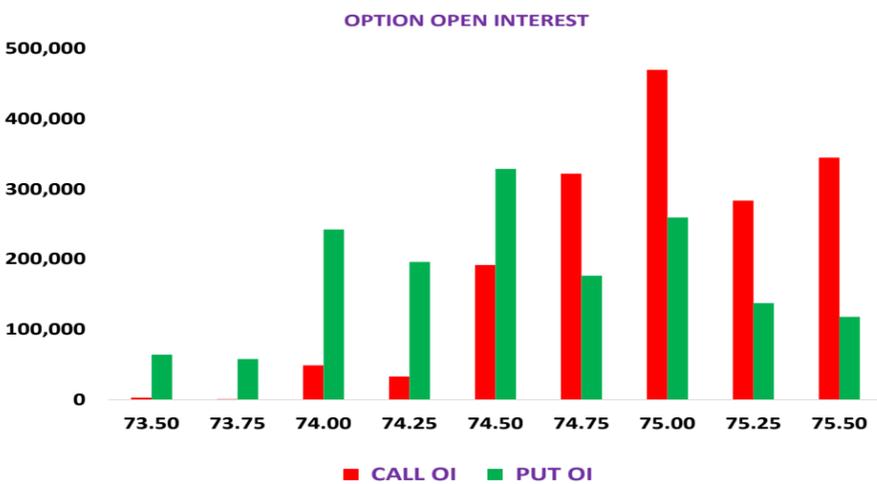


**USDINR Futures (March)**  
With Russian forces entering Eastern Ukraine, things escalated quickly. Oil prices are near 97 handle and equity markets are under fire. USDINR will catch a bid as short-covering will drive the pair higher, towards 75 levels. Last week, it was the turn of 75 strike put sellers getting short squeezed, now it could be the turn of 75 strike call sellers being short squeezed. With large OI in the 75-strike call, a short squeeze just before expiry can trigger a swift up move in the underlying prices. **Bias has turned neutral. If USDINR breaks above 75 convincingly, then it can even aim for 75.50 levels. Support is near 74.30/40 region.**

**GBPINR Futures (March)**  
UK economy is picking up pace as all COVID restrictions are phased out. Yesterday the Feb PMIs came in strong with activity expanding at the fastest pace since June of last year. However, businesses' costs rose at the second-fastest rate since 1998. A strong economy and red-hot inflation mean BOE is likely to hike rates for the third time in March. This remains a strong tailwind for GBPUSD and GBPINR. **With USDINR now showing signs of a near-term bottom, we would look for bullish opportunities in GBPINR. Bias has turned bullish on GBPINR.**

**EURINR Futures (March)**  
Eurozone manufacturing PMI grew less than expected in February but services sector activity picked up strongly. Inflation remains a major concern. However, ECB remains one of the dovish central bankers. Hence, in EURINR, **bias remains of a rangebound activity.**

**JPYINR Futures (March)**  
With risk aversion intensifying and USDINR catching a bid, we could see JPYINR rise as well. **For the day, one can look for buying opportunities in JPYINR futures. Intra-day bias is upward.**



	Spot	Futures	
		Weekly Expiry 25-Feb-22	Monthly Expiry 29-Mar-22
USDINR LTP / (Previous Day)	74.50 / (74.66)	74.60 / (75.72)	74.84 / (74.96)
ATM Vols (in %)	74.75	5.40%	4.70%
ATM Straddle Price		0.36	0.89

Historical Volatility	
5 days Rolling	3.63%
21 days Rolling	4.82%

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

Can the geopolitical risk this time squeeze the 75 call sellers ahead of Feb expiries? We need to keep a watch. Implied volatility will increase if a short squeeze occurs or else it will remain subdued.

**Disclaimer & Contact:**

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