

INR Pairs (Trading Range for the Day – Jan Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.45 (0.06)	84.40 (-0.16)	100.93 (-0.55)	65.40 (0.19)
Intraday View	Upward	Rangebound	Rangebound	Upward
Technical Range	74.20-74.70	84.15-84.65	100.70-101.30	65.15-65.65

Important Indicators		
	DXY	BRENT CRUDE
LTP	95.70	88.54
1W back	95.25	86.53
1M back	96.06	78.83



**USDINR Futures (Jan)**

A cocktail of threats is affecting risk sentiments: (i) fear of faster rate hikes from the US Fed (ii) weak global equities (iii) flare-up in oil prices due to rising tensions between NATO & Russia over Ukraine and tighter global supplies. **However, Indian Rupee remains unfazed. Robust corporate \$ flows and carry trade interest due to attractive Rupee real yields over US real yields is more than offsetting the outflows caused by FPI selling in equity markets.** However, we expect RBI to remain a major buyer near 74 levels on spot. Therefore, for the day, we expect USDINR to bounce from 74.20/25 levels and move higher towards 74.60/70 levels. **One is advised to buy the dip with a stop below 74.25/30 zone on a daily closing basis.**

**GBPINR Futures (Jan)**

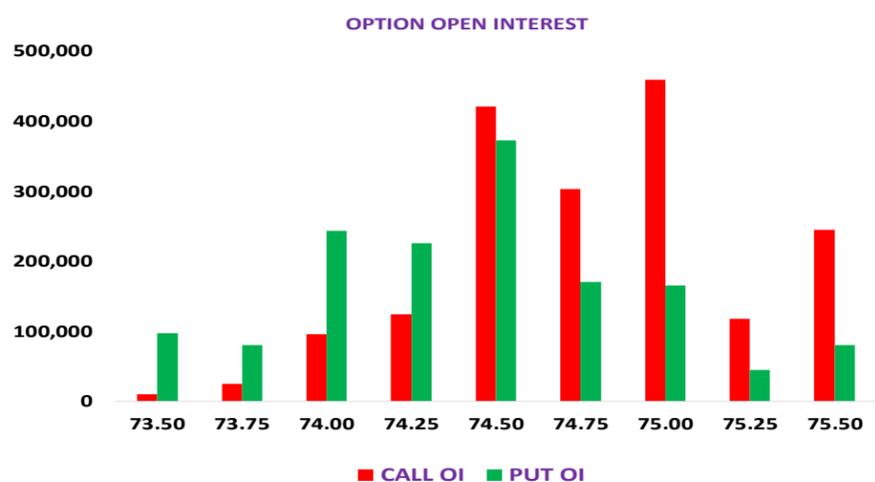
GBPINR is under pressure due to combination of global risk off and rising risk of leadership challenge in UK. U.K. Prime Minister Boris Johnson faces the most critical week of his premiership, as he braces for the outcome of an investigation that could lead to his own colleagues ousting him. Therefore, GBPINR will be sensitive to the outcome. If the report is in his favour then we can see a relief rally in GBPINR. **Therefore, it is going to be a volatile week for GBP. Stick to intra-day positions only as of now.**

**EURINR Futures (Jan)**

Flash PMIs and US monetary policy will be two important events that will be watched by traders in Euro. Flash PMI for the month of January is expected to be weaker. However, it will be the extent of hawkishness of FOMC which will have a bigger impact on EURINR. **EURINR remains a in a mild downtrend.**

**JPYINR Futures (Jan)**

JPYINR is going to be extremely sensitive to shifts in US bond yields due to oil and risk off and also US FOMC meeting this week. **Volatility is going to be high. Stick to intra-day positions.**



	Spot	Futures	
		Weekly Expiry 28-Jan-22	Monthly Expiry 27-Jan-22
USDINR LTP / (Previous Day)	74.42 / (74.50)	74.46 / (74.56)	74.45 / (74.55)
ATM Vols (in %)	74.50	4.80%	4.60%
ATM Straddle Price		0.34	0.29

Historical Volatility	
5 days Rolling	4.09%
21 days Rolling	4.21%

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

USDINR is right on the 74.50 mark where large OI exists for both calls and puts. One can consider the current level as the equilibrium level for the market for January expiry. IVs have come off due to corrective decline in USDINR.