

INR Pairs (Trading Range for the Day – Jan Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	74.62 (0.15)	84.46 (0.03)	100.72 (-0.24)	65.62 (0.21)
Intraday View	Upward	Rangebound	Downward	Upward
Technical Range	74.20-74.70	84.20-84.70	100.30-101.85	65.40-65.80

Important Indicators		
	DXY	BRENT CRUDE
LTP	95.98	86.77
1W back	95.72	88.42
1M back	96.78	78.83

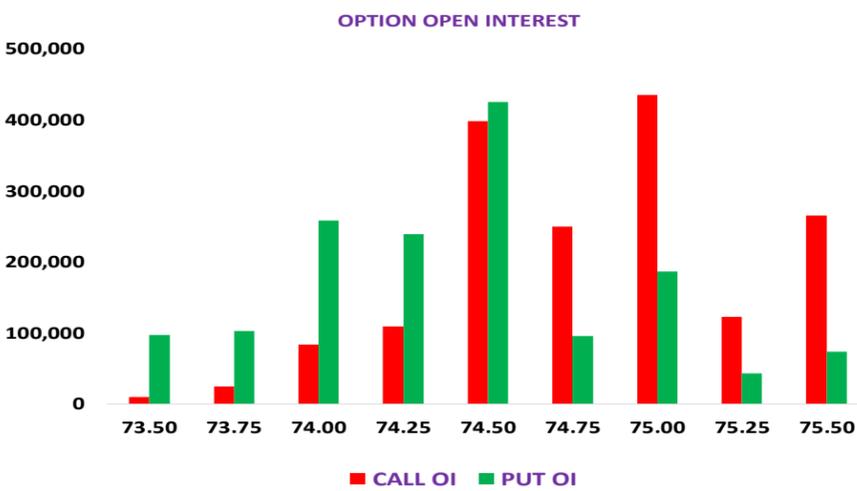


**USDINR Futures (Jan)**  
Rupee's resilience can be attributed to three factors: (i) Strong corporate \$ inflows (ii) carry trade due to attractive real yields (iii) Hope of lumpy \$ inflows post Budget on account global bond index inclusion & LIC IPO. US markets possibly witnessed a selling climax ahead of the important US Fed meeting. Post panic it seems, the market is completely prepared for a very hawkish FOMC, leaving little room for a negative surprise. **USDINR is caught within a range of 74.25 and 74.74 on spot. In case of a clear break above 74.74 on spot, it can aim for 75.10 levels.**

**GBPINR Futures (Jan)**  
GBPINR faces twin risk of risk-off sentiments and political risk in UK. As a result, further selling pressure can be seen in the pair. Yesterday's flash PMI from UK was weaker than expected and that adds to downside risk. Bias remains downward and we would look for selling opportunities intra-day.

**EURINR Futures (Jan)**  
Activity in Germany appears unfazed by Omicron, with improvements reported in both the manufacturing and service sector PMIs. This comes on the heels of improvement in the German ZEW index and suggests strength for today's German IFO report. However, it will be the US FOMC tomorrow which holds the key to trend in Euro over the near term. **For now, bias remains of a range.**

**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 24-Feb-22
USDINR LTP / (Previous Day)	74.56 / (74.42)	74.64 / (74.47)	74.84 / (74.68)
ATM Vols (in %)	74.75	4.80%	4.40%
ATM Straddle Price		0.31	0.76

Historical Volatility	
5 days Rolling	4.17%
21 days Rolling	4.20%

### 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. At the same time 75 call has large OI, which is a major resistance zone. IVs have increased pricing in Fed risk. Should decline post US FOMC.

### Disclaimer & Contact:

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