

INR Pairs (Trading Range for the Day – March Futures)				
	USDINR	EURINR	GBPINR	JPYINR
LTP (% Change)	76.33 (-0.06)	83.95 (-0.10)	100.75 (-0.16)	62.84 (-0.37)
Intraday View	Downward	Rangebound	Rangebound	Rangebound
Technical Range	75.90-76.45	83.85-84.45	100.45-101.00	62.70-63.10

Important Indicators		
	USDCNH	BRENT CRUDE
LTP	6.3744	119.61
1W back	6.3677	107.80
1M back	6.3102	98.40

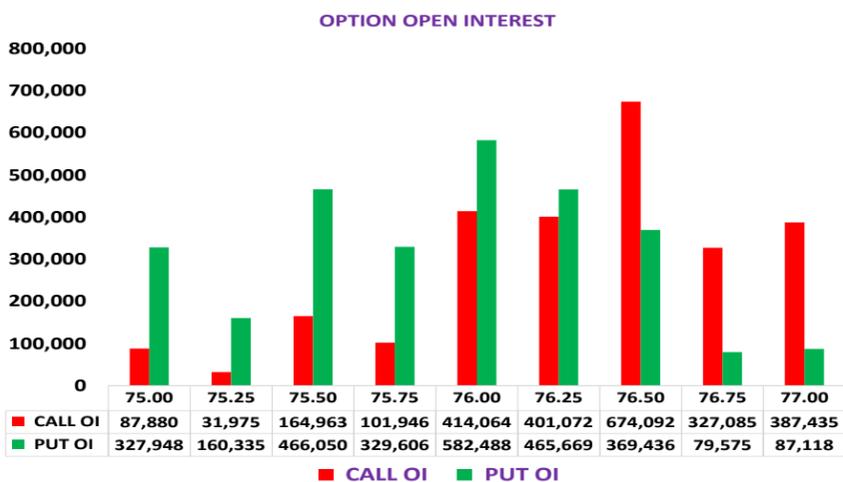


USDINR Futures (March)
The Indian rupee is showing extraordinary resilience. Large FX reserves and March-end lumpy corporate \$ inflows are keeping Rupee supported. But at the same time, elevated oil prices and FPI outflows keep Rupee pressured. Hence, option sellers have accumulated large OI in OTM calls and puts, betting on a range of 75.95 and 76.50 on futures. One can continue to focus on selling options to benefit from rangebound price movement. But if one is looking for a directional bet, one can sell OTM calls or futures on rise with SL above 76.50 on spot on a closing basis.

GBPINR Futures (March)
UK flash PMIs for March are out and they are reflecting stagflationary scenario. Services PMI hit its highest in nine months, but output in the manufacturing sector was reported at its lowest in five months. Inflationary pressures are at record and sentiment is falling. This means that in the coming months, there can be a slowdown in consumer spending, after the unlocking impact fades. This means, BOE will be cautious about future hikes in rates. Not a rosy picture for GBP pairs. **Bias in GBPINR remains rangebound to slightly downward.**

EURINR Futures (March)
Eurozone flash PMI for the month of March was weak. Even though headline numbers showed modest drop for manufacturing sectors and strength in the services sector, but when one delves into the internals weakness becomes clear. The order backlog is decreasing, business is facing record inflation and consumer are seeing weakening real wage growth. This means, Eurozone economy will slow in the coming months, as inflation rages on, making it difficult for ECB to tighten monetary policy. **Bias in EURINR remains rangebound to slightly downward.**

JPYINR Futures (March)
After a vertical rise, USDJPY is pulling back. This will allow JPYINR to recover from the lows. However, the extent of recovery depends on USDINR. As long as USDINR is holding above 76 levels, we can see JPYINR pulling back towards 63.00 levels. **Bias in JPYINR remains rangebound to slightly downward.**



	Spot	Futures	
		Weekly Expiry 31-Mar-22	Monthly Expiry 29-Mar-22
USDINR LTP / (Previous Day)	76.36 / (76.30)	76.45 / (76.51)	76.33 / (76.39)
ATM Vols (in %)	76.50	6.20%	5.80%
ATM Straddle Price		0.53	0.43

Historical Volatility	
5 days Rolling	6.13%
21 days Rolling	8.24%

What Options Open Interest (OI) Saying?

76.00 & 75.75 strike put options have close to \$ 1 billion of open interest. Traders are betting on a range of 75.75 and 76.50 till March end. However, if price manages to squeeze out of this range, the move can be quite dramatic. IVs is expected to remain well supported near 5.50%-5.80% zone.

Disclaimer & Contact:

Reach us at: ks.currency-research@kotak.com

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