



Technical Recommendation

Exchange	Contract	S2	S1	Close	R1	R2	Recommendation
USDINR-MCX-Sx	FEB	48.9283	49.1267	49.3250	49.4467	49.5683	Buy at 49.20-49.16 TP 49.40 then 49.55 SL 48.95
USDINR-NSE	FEB	49.0867	49.2033	49.3200	49.4033	49.4867	Buy at 49.20-49.16 TP 49.40 then 49.55 SL 48.95
EUROINR-MCX SX	FEB	64.9525	65.1000	65.2475	65.3600	65.4725	Buy at 65.10 TP 65.40 then 65.50 SL 64.88
GBPINR MCX SX	FEB	77.0183	77.2617	77.5050	77.9042	78.3033	Sell at 77.60 TP 77.30 then 77.20 SL 77.85
JPYINR MCX SX	FEB	61.1708	61.3167	61.4625	61.6942	61.9258	Sell at 61.56 TP 61.10 SL 61.80

Previous day's performance

Exchange	Contract	Recommendation	Performance
USDINR-MCX-Sx	FEB	Buy at 49.25 TP 49.65 SL 48.95	Minimum Profit Booked
USDINR-NSE	FEB	Buy at 49.25 TP 49.65 SL 48.95	Minimum Profit Booked
EUROINR-MCX SX	FEB	Buy at 65.15-65.10 TP 65.40 then 65.60 SL 64.80	Closed in profits
GBPINR MCX SX	FEB	Sell at 77.98 TP 77.55 SL 78.25	Call not Initiated but view correct
JPYINR MCX SX	FEB	Range 61.50-62.40	Range

Market Recap:

- ◆ Rupee on Wednesday saw some exporter selling at higher levels, the local unit closed with gains. Spot finally settled at 49.22
- ◆ Nifty saw profit booking ahead of expiry day as it closed in deep red. It ended lower to close at 5507
- ◆ The Dollar Index on Wednesday gained as Euro came under some profit booking. It closed at 79.21
- ◆ On Wednesday, FII' were net buyers in Equities to the tune of 1494 cr whereas they were buyers to the tune of 59 cr in the Debt segment
- ◆ The call rate closed lower to end at 8.50% as demand for short term money remained lower
- ◆ India's 10 year yields closed lower last trading session, they finally ended at 8.22% higher by 3 bps
- ◆ In the domestic currency markets the rupee paired gains against the Yen, Euro and GBP by 0.55, 0.06 and 0.61 percent respectively.

OUTLOOK

Asian stocks are showing a decline following weaker cues from their western peers. The Euphoria over the Greek deal also seems to have died down as investors look at long term growth story. The Asian currencies led by the Korean Won are showing declines against the Greenback. This could be negative for the rupee as well. The SGX Nifty is also following the trend and is trading lower by 3 points.

On the Economic front, From the European region the IFO - Business Climate is expected to come in slightly higher at 108.8 as compared to 108.3 from last time, which might be slightly positive for the Euro. From the US the labor market is expected to show an up move with the Initial and Continuing claims showing a drop. This could be slightly positive for the greenback. The US house price index is also expected to increase to 1.00% further boosting the dollar.

For Today, we could see the rupee to remain range bound today on weaker global cues but a stronger Euro. Dollar demand from oil companies might also pressurize the rupee. The range for the day is seen between 49.00-49.45/\$.



Major Economic Events

Date Time	Region	Event	Period	Survey	Prior
02/23/2012 14:30	GE	IFO - Business Climate	FEB	108.8	108.3
02/23/2012 19:00	US	Initial Jobless Claims	18-Feb	355K	--
02/23/2012 19:00	US	Continuing Claims	11-Feb	3480K	--
02/23/2012 20:30	US	House Price Index MoM	DEC	0.10%	1.00%

Technical Update



USD/INR-Feb Futures: NSE/MCX-SX:

On Wednesday Rupee traded in tight range. The pair open at 49.26 and thereafter it tested a high of 49.37. On the whole it was marginally down by -0.05% to that of the previous close. Rupee breached the trend line resistance of 49.30 and managed to close above same. The pair is witnessing stiff resistance of 49.40 which is 8-period EMA on daily charts breach of this next resistance is seen at 49.62 and supports are seen at 49.17 then 49.05. MACD is suggesting slight upward move in the pair. For the day we expect pair may open flat.

MCX-SX PVO Analysis

USDINR	OPEN	HIGH	LOW	CLOSE	% CHANGE	VOLUME	% CHANGE	OPEN INTEREST	% CHANGE
Feb-12	49.26	49.37	49.05	49.33	-0.05	1,745,915	62770.54	516,100	1663.66
Mar-12	49.29	49.73	50.23	49.68	-0.05	187,318	-90.08	364,278	-37.23
Apr-12	49.99	50.08	49.94	50.05	-0.01	33,386	-77.07	107,303	-67.47
May-12	50.27	50.36	50.23	50.30	-0.08	6,140	-51.90	31,382	-90.49

NSE PVO Analysis

USDINR	OPEN	HIGH	LOW	CLOSE	% CHANGE	VOLUME	% CHANGE	OPEN INTEREST	% CHANGE
Feb-12	49.27	49.37	49.17	49.32	-0.06	1,555,364	17981.42	949,694	1249.73
Mar-12	49.55	49.73	49.55	49.68	-0.05	257,991	-86.09	825,615	-16.59
Apr-12	50.01	50.08	49.95	50.04	-0.03	38,256	-85.57	306,235	-59.91
May-12	50.29	50.37	50.23	50.33	-0.02	13,183	-59.10	70,207	-76.62

MCX-SX Spread Sheet

USDINR	Feb-12	Mar-12	Apr-12	May-12
Feb-12	0.0000			
Mar-12	0.3525	0.0000		
Apr-12	0.7200	0.3675	0.0000	
May-12	0.9775	0.6250	0.0000	0.0000

NSE Spread Sheet

USDINR	Feb-12	Mar-12	Apr-12	May-12
Feb-12	0.0000			
Mar-12	0.3600	0.0000		
Apr-12	0.7150	0.3550	0.0000	
May-12	1.0050	0.6450	0.0101	0.0000



Major World Indices

INDICES	LAST	1 Day ago	% Change
NIFTY	5505.35	5607.15	-1.82
SENSEX	18145.25	18428.61	-1.54
NASDAQ	2933.17	2948.57	-0.52
DOW JONES INDUSTRIAL	12938.67	12965.69	-0.21
SHANGHAI COMPOSITE	2403.59	2381.43	0.93
NIKKEI 225	9554.00	9463.02	0.96
HANGSENG	21549.28	21478.72	0.33
FTSE Index	5916.55	5928.20	-0.20

FORWARDS	LAST	1 Day ago	% Change	Annu(%)
1-Mth Forward	49.5491	49.6138	-0.13	-0.13%
3-Mth Forward	50.1885	50.2362	-0.09	-0.28%
6-Mth Forward	50.9734	51.0074	-0.07	-0.40%
12-Mth Forward	52.3274	52.3509	-0.04	-0.54%
1-Mth NDF	49.6300	49.5300	0.20	0.20%
3-Mth NDF	50.2400	50.1400	0.20	0.60%
6-Mth NDF	51.0300	50.9100	0.24	1.41%
12-Mth NDF	52.1800	52.0500	0.25	3.00%

Asian Currency Pairs

ASIAN/INR	LAST	1 Day ago	% Change
Chinese Yuan	7.8200	7.8310	-0.14
Hongkong Dollar	6.3490	6.3590	-0.16
Indonesian Rupiah	0.5439	0.5448	-0.17
Myanmar Ringgit	16.2576	16.3251	-0.41
Philippines Peso	1.1536	1.1553	-0.15
Singapore Dollar	39.1392	39.2122	-0.19
Taiwan Dollar	1.6657	1.6687	-0.18
Thailand Baht	1.6113	1.6045	0.42

Debt Market Information

INDICATORS	LAST	1 Day ago	% Change
LIBOR 1Mth	0.2445	0.2455	-0.41
LIBOR 3Mth	0.4916	0.4926	-0.20
MIBOR 1Mth	0.6000	0.6000	0.00
MIBOR 3Mth	1.0200	1.0300	-0.97
U.S. 5Yr Bond Yield	0.8588	0.9074	-5.36
U.S. 10Yr Bond Yield	2.0034	2.0591	-2.71
India 10Yr Bond Yield	8.2220	8.1730	0.60
Call Rate	8.5000	8.8500	-3.95

Reference Rates as on 2/22/2012

Pair	LAST	1 Day ago	% Change
USDINR	49.25	49.08	0.33
GBPINR	77.75	77.80	-0.06
JPYINR 100	61.53	61.52	0.02
EURINR	65.16	65.17	-0.01

CROSS	LAST	1 Day ago	% Change
USDINR Spot	49.23	49.31	-0.15
MCX-SX Futures	49.33	49.35	-0.05
NSE Futures	49.32	49.35	-0.06
EURO Futures	65.25	65.27	-0.03
GBP Futures	77.50	77.97	-0.60
JPY (100) Futures	61.50	61.84	-0.55
ICE Dollar Index	79.23	79.04	0.23

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