

**Market at Glance – FX Futures**

Symbol	Series/Expiry	Close	Chg	% Chg	OI	Vol
EURINR	27-Feb-2012	65.7025	0.3650	0.56%	16,007	43,220
GBPINR	27-Feb-2012	78.4775	0.4250	0.54%	8,366	8,110
JPYINR	27-Feb-2012	65.2975	0.8075	1.25%	14,441	11,773
USDINR	27-Feb-2012	50.0950	0.4000	0.80%	645,197	2,087,153

**Global FX (Asian session)**

Name	Last	Open	High	Low	Net chg.	Chg. %
EUR/USD	1.319	1.3144	1.3201	1.3132	0.0046	0.35%
USD/JPY	76.209	76.361	76.445	76.185	-0.1429	-0.18%
GBP/USD	1.5734	1.5711	1.5745	1.5698	0.0023	0.15%
USD/CHF	0.9139	0.9171	0.918	0.913	-0.0031	-0.33%
USD/CNY	6.3184	6.336	6.336	6.3175	-0.0176	-0.28
USD/HKD	7.7561	7.7554	7.758	7.7554	0.0005	0.00%
USD/SGD	1.2544	1.2574	1.2599	1.2531	-0.003	-0.23%
EUR/JPY	100.506	100.3545	100.665	100.193	0.158	0.15%
EUR/GBP	0.8381	0.8366	0.8387	0.8363	0.0016	0.19%
GBP/JPY	119.905	119.955	120.145	119.772	-0.038	-0.03%

**Major Economic Data Releases**

GMT	Country/Event	Cons.	Prev.
5:00	Japan Housing Starts (YoY) (Dec)	-2.40%	-0.30%
7:00	Germany Retail Sales (MoM) (Dec)	0.80%	-0.90%
8:55	Germany Unemployment Rate s.a. (Jan)	6.80%	6.80%
10:00	EU Unemployment Rate (Dec)	10.40%	10.30%
14:00	US S&P/Case-Shiller Home Price Indices (YoY) (Nov)	-3.20%	-3.40%
14:45	US Chicago Purchasing Managers' Index (Jan)	63.3	62.5
15:00	US Consumer Confidence (Jan)	68	64.5

**Intraday Outlook**

**USDINR Feb:** The pair is expected to trade weaker today following the up-move in the EURUSD in early morning. Support for the day is seen at 49.80 followed by Lower Support at 49.62 mark. First and the Critical Resistance for the day comes near 50.00 level while Higher Resistance seen at 50.16 level.

**EURINR Feb:** The pair is trading with moderate gains tracking the movement in the EURUSD. The Support for the day is seen at 65.76 followed by downside Support at 65.58 level. Resistance for the day comes near 66.04 and Higher Resistance around 66.22 mark.

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**EURUSD recoils from yesterday's low, Rupee to gain today**

The Indian Rupee witnessed huge swings in trade yesterday and finally finished lower against the Greenback as the Dollar jumped against the Euro meanwhile the sharp fall in the domestic stock markets also imputed the market sentiment. The Rupee retreated from nearly three month high levels and finally finishing at 49.79 in the Interbank Exchange in Mumbai, down from Friday's close of 49.30. Overall trading was also muted as traders awaited the outcome of the debt deal between Greece and its private creditors. The losses in domestic currency were also led by negative cues from the Stock markets which finished lower by over 2% dragged by losses in the capital goods segment. Amongst the key indices, the BSE Sensex 30 fell 370.68 points or 2.2%, to end at 16863.30 snapping six straight sessions of gains.

In the International markets, the Euro couldn't managed to hold the last week's gains against other key currencies and dropped due to rising concerns over the Greek debt restructuring. The Euro declined around 0.7% against the US Dollar and closed near to the 1.3125 mark down from Friday's finish at 1.3224 level. Trading was also hurt by the rise in yields on 10 year Portuguese government bonds which surged to more than 17%, the highest level since the launch of the Euro, stoking fears that Lisbon may become the next Athens in needing a second bailout to avoid bankruptcy. On one hand while Portugal's bond auction raised fears, Italy sold 7.5 Bln Euros (\$9.8 billion) of debt, near the maximum for the auction, with the borrowing costs falling to 6.08% down from 6.98% at the last auction on Dec. 29.

During the week the markets will closely watch the Bond sale of other European nations like Belgium and Spain which may sell more than 33 Bln Euros (including Italian sales yesterday) of securities. Today the Asian Stock markets were trading with decent gains with the MSCI Asia-Pacific Index inching up 0.2% and are set to post a monthly gain of nearly 9% after falling in the prior two months. Risk appetite has improved in today's trade as the markets expect the debt swap deal between the Greek government and private bond holders to reach a positive finish in the next few days. The EURUSD also gained from yesterday's close and currently trading around the 1.3185 level, higher around 0.4%.

The Indian rupee is expected to open higher on Tuesday as risk sentiment improved globally and drove the Asian Equity markets and the Euro higher. Traders should closely watch the trend in the EURUSD as any volatility in the pair is expected to impact the movement in Indian Rupee directly.