

SPOT CURRENCYWATCH

Spot rate	High	Low	Close	Prevailing*	Pre. Close
USD/INR*	49.255	48.945	49.02	-	49.13
USD/JPY	76.24	76.11	76.23	76.17	76.22
EUR/USD	1.3149	1.3112	1.3143	1.3128	1.316
GBP/USD	1.5822	1.5783	1.5807	1.5809	1.5833
US \$ Index	79.113	78.995	79.105	79.027	78.844

*Prevailing prices taken at the time of making the report

USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	Pre. Close	Volume*
Feb'12	49.4075	49.5750	2,572,300
Mar'12	49.7450	49.9225	91,532
Apr'12	50.1025	50.2600	10,913

*In Lots

MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	Pre. Close	Volume*
EUR/INR	Feb'12	64.9025	65.0725	45,569
GBP/INR	Feb'12	78.1150	78.1675	9,897
JPY/INR	Feb'12	64.8750	65.1275	8,975

*In Lots

MAJOR WORLD INDICES

Indices	Close	Chg	Pre. Close
S&P 500	1,325.54	1.45	1,324.09
NIKKEI 225	8,876.82	67.03	8,809.79
SHANGHAI COMPOSITE	2,312.56	44.48	2,268.08
FTSE	5796.07	5.35	5790.72
CNX S&P NIFTY	5269.9	34.20	5235.7

FII ACTIVITY (Rs. million)

Date	Purchase	Sale	Net
2/2/2012	55470	34220	21250
2/1/2012	37189	29649	7540
1/31/2012	28933	34437	-5504
1/30/2012	43032	32918	10114

USDINR NDF Outright

Months	Close	Pre. Close
1 Mn	49.35	49.49
6 Mn	50.69	50.84
12Mn	51.79	51.945

NDF - Non Deliverable Forward

COMMENTARY

Stocks and the euro traded little changed on Thursday as data signaling improvement in the U.S. labor market and remarks by Federal Reserve Chairman Ben Bernanke that suggested some economic optimism were offset by concerns over Europe's festering debt crisis.

The euro rose against the dollar on Thursday after Chinese Premier Wen Jiabao said China was considering greater involvement in the EFSF euro zone rescue fund and its successor, the ESM.

Sterling hovered near a two-and-a-half month high versus the dollar on Thursday, supported by a cautiously optimistic outlook for riskier currencies and data from the UK which pointed at growth in the construction and manufacturing sectors.

Gilt futures tumbled on Thursday, trailing Bunds, after a Bank of England policymaker said it should consider buying assets other than government bonds to help businesses, while signs of growth in British manufacturing and construction also weighed.

RBI REFERENCE RATES

	Rate	Pre. Close
USD/INR	49.1288	49.5325
EUR/INR	64.7480	64.6569
GBP/INR	77.8495	77.9493
JPY/INR	64.5400	65.0000

DAILY VOLATILITY

	Close	Pre. Close
USD/INR	0.6403	0.6245
EUR/INR	0.7	0.7211

COMMODITIES

	Close	Pre. Close
GOLD	28155	28083
COPPER	411.7	418.7
CRUDE	4727	4861

MCX-SX SPREAD SHEET

Contract	Feb'12	Mar'12	Apr'12
Jan'12	0.3375	0.695	0.9625
Feb'12	0	0.3575	0.625
Mar'12	0	0	0.2675

USDINR Onshore Forward Premiums

Months	Close	Pre. Close
1 Mn	33.5	37
3 Mn	100.75	104
12Mn	278.75	294.25



DEBT MARKETWATCH

Period	Rate	Pre. Close
Call money rate	8.75	8.85
Mibor rate	8.91	9.05
14 day Mibor	9.24	9.21
3 month Mibor	9.71	9.65
5 year G-sec	8.218	8.218
10 year G-sec	8.133	8.143
Repo Amount	1203.00 (Rs. Billion)	1271.40 (Rs. Billion)
Reverse Repo amount	0.10 (Rs. Billion)	0.30 (Rs. Billion)
US 5-yr Benchmark	0.7106	0.7203
US 10-yr Benchmark	1.823	1.83
1 month LIBOR	0.26250	0.26400
3 month LIBOR	0.53060	0.53710

COMMENTARY

The Indian rupee hit a three-month high on Thursday, encouraged by gains in domestic equities, and after manufacturing data in China and Germany boosted investor appetite in high-yielding emerging market assets.

Factory activity in the United States, China and Germany grew in January, data released Thursday showed, raising hopes that the world economy is not deteriorating as seriously as feared before.

The rupee closed at 49.15/16, after touching 48.9425 -- its highest since Nov. 1, according to Thomson Reuters data. It closed at 49.2650/2750 on Wednesday.

The Indian rupee is expected to nudge higher today in anticipation of dollar inflows, while caution in major financial markets before the key U.S. jobs data will keep traders wary. The likely range for USDINR to trade in spot is 48.90-49.15.

IMPORTANT ECONOMIC INDICATORS

Indicator	Time	Region	Period	Expected	Prior
Final Services PMI	2:30pm	EUR		50.50	50.50
Services PMI	3:00pm	GBP		53.50	54.00
Retail Sales m/m	3:30pm	EUR		0.40%	-0.80%
Italian Prelim CPI m/m	3:30pm	EUR		0.20%	0.40%
Non-Farm Employment Change	7:00pm	USD		150K	200K
Unemployment Rate	7:00pm	USD		8.50%	8.50%
Average Hourly Earnings m/m	7:00pm	USD		0.20%	0.20%
ISM Non-Manufacturing PMI	8:30pm	USD		53.1	52.6
Factory Orders m/m	8:30pm	USD		1.50%	1.80%

STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USD/INR	Feb'12	BUY	49.35	49.50	49.65	49.20
EUR/INR	Feb'12	SELL	64.95	64.75	64.55	65.15
JPY/INR	Feb'12	BUY	64.80	65.00	65.20	64.60

PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USD/INR Spot	48.76	48.89	49.07	49.20	49.38
USD/INR Feb'12	49.06	49.23	49.39	49.56	49.72
EUR/INR Feb'12	64.55	64.73	64.96	65.14	65.37
GBP/INR Feb'12	77.74	77.96	78.20	78.41	78.65
JPY/INR Feb'12	64.43	64.65	64.86	65.09	65.30

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