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ankit.kapoor@indianivesh.in**FROM RESEARCH DESK****Global news update for currency**

INR ended the rise as the USD demand from local oil refiners for payments offset the rise in local shares. Also, S&P suggested a possibility of a rating downgrade thereby affecting the currency.

Technical outlook**USDINR**

USDINR has strong support at 49.00---48.70 and resistance at 49.60.

EURINR

Today, it has support at 64.15----64.00 and resistance at 64.50----64.65.

GBPINR

Today, it has support at 77.50 and resistance at 78.00---78.30.

JPYINR

Today, it has support at 64.15---64.00 and resistance at 64.45---64.65.

Global news update for currency

■ Rupee

INR ended the rise as the USD demand from local oil refiners for payments offset the rise in local shares. Also, S&P suggested a possibility of a rating downgrade thereby affecting the currency. The rating outlook is challenged by high inflation, weak fiscal position and slower economic growth.

■ USD

Today there is no major economic event from U.S. today USD may remain volatile against rupee.

■ EURO

The euro fell broadly on Monday on investor concern that Greek coalition parties had yet to sign off on the terms of a new bailout with a deadline imminent, keeping alive the risk of a messy default which could rock the currency bloc.

Greece's coalition members must tell the European Union by noon on Monday (1000 GMT) whether they accept the painful terms of a new bailout worth 130 billion euros, with euro zone ministers postponing a meeting planned for Monday due to the delay in Athens.

■ GBP

Today there is no major economic event from U.K. today GBP may remain volatile against rupee.

■ JPY

Today there is no economic event from Japanese economy; today JPY could trade on mixed sentiment and over all outlooks is very volatile for day against rupee.

Technical View on major currency

USDINR



Yesterday, USDINR traded with positive sentiments. USDINR made a low of 48.83 and bounced back to 49.37 levels and finally settled with a gain of .67% at 49.27.

USDINR has strong support at 49.00---48.70 and resistance at 49.60. Decisive break and sustain above 49.60 will take USDINR to 50.20----50.60 level but if it unable to break its resistance then it could test the support level of 49.00----48.70 level again. Two consecutive closes below 48.70 will take USDINR to 47.30----46.30 level. Today, we expect high volatile session. So traders can trade safely with strict stop loss and wait for conformation.

EURINR



EURINR had a volatile session though traded with negative sentiments. We recommended selling in EURINR for the downside target of 64.20---63.80. It made a low of 63.85 and finally settled with a loss of .24% at 64.34.

Today, it has support at 64.15----64.00 and resistance at 64.50----64.65. Decisive break below 64.00 will take EURINR to 63.60---63.20 level but if it unable to break its support then it could test its resistance level of 64.50---64.65 level again. Fresh buying can initiate only close above 64.65 levels. It looks choppy and we expect high volatility in today's trading session. So traders can trade safely with strict stop loss.

GBPINR



Source: Telequote

Yesterday, GBPINR also had a volatile session. We recommended selling in GBPINR for the downside target of 77.00. It made a low of 77.04 and bounced back and finally settled almost flat to positive with a gain of .02% at 77.55. Today, it has support at 77.50 and resistance at 78.00---78.30. Decisive break and sustain below 77.50 will take GBPINR to 77.00---76.90 level but if it unable to break its support then it could test its resistance level of 78.00---78.30 again. Fresh buying can initiate above 78.30 levels on closing basis. Trade with levels only and wait for conformation.

JPYINR



Source: Telequote

Yesterday, JPYINR hit almost our target level of 63.60 and bounce back. We recommended selling in JPYINR for the downside target of 64.10---63.60. It made a low of 63.65 and settled with a gain of .23% at 64.35. Today, it has support at 64.15---64.00 and resistance at 64.45---64.65. Still it looks weak and could test its support. Further downside seen below its support level of 64.00 level will take it to 63.60 level again but if it unable to break it support then it could test its resistance level of 64.45---64.65. Fresh buying can initiate only close above 64.65 level. Today, we expect high volatile session. So traders can trade safely with strict stop loss and wait for conformation.

Technical levels for currency

Currency Pairs	Expiry	LTP	% change	R1	R2	Pivot	S1	S2
USD/INR	27-Feb-12	49.27	0.64	51.94	51.96	49.16	48.94	46.16
EURO/INR	27-Feb-12	64.34	-0.24	66.45	66.48	64.20	63.99	61.74
GBP/INR	27-Feb-12	77.55	0.02	80.33	80.40	77.41	77.18	74.26
JPY/INR	27-Feb-12	64.35	0.23	67.59	67.62	64.15	63.86	60.42

Major Economic Data & Events

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
10:30am	JPY	Leading Indicators	93.9%	93.2%	Positive
1:15pm	EUR	French Trade Balance	-5.2B	-4.4B	Negative
4:30pm	EUR	German Industrial Production m/m	-0.1%	-0.6%	Positive
8:30pm	USD	Fed Chairman Bernanke Testifies	-	-	-
8:30pm	USD	IBD/TIPP Economic Optimism	48.1	47.5	Positive

Source : Forex factory * Note: Possible impact reflect positive according to forecast.

Foreign currency

Currency Pairs	LTP	% change
DOLLAR INDEX	79.03	0.12
EUR/USD	1.3133	-0.08
GBP/USD	1.5823	0.17
USD/JPY	76.55	-0.03

* According to 11.00 pm.



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