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

The rupee ended flat on last Friday as gains from foreign fund inflows were negated by strong demand for dollars from oil importers.

Technical outlook**USDINR**

USDINR is still trading in a very tight range of 49.20---49.60. Either side break with volume will decide further.

EURINR

Today, EURINR has resistance at 65.05 and support at 64.60.

GBPINR

Today, it has support at 78.00 and resistance at 78.35.

JPYINR

Overall trend still looks weak and could test the level of 62.20---61.60.

Global news update for currency

■ Rupee

The rupee ended flat on last Friday as gains from foreign fund inflows were negated by strong demand for dollars from oil importers.

The rupee-dollar pair is unable to maintain strength above 49.75 despite some strength in dollar internationally since Indian equities continue to receive heavy inflows. Since the beginning of the year, foreign institutional investors (FII) have pumped in more than \$7 billion in local markets.

■ USD

Today, there no economic event from U.S. At present day dollar trade in a narrow range. Rise on Tuesday as word broke that European officials approved a EUR130 billion bailout package for Greece, which will steer the country away from a messy default.

■ EURO

Today euro zone will release Consumer Confidence index the previous reading was -21 while the current market expectation it is improve from 1 point and remain -20. Another event also the ECOFIN meetings between EU member to discuss the financial issues and economic policies.

■ GBP

Today U.k. release the public sector net Borrowing the previous figure was 10.8Billion and current market expectation is -8.9billion. The pound held gains against major currencies on Monday as hopes that Greece is close to securing a second bailout buoyed demand for riskier assets but the uncertain outlook for the U.K. economy continued to weigh on sterling. Demand for higher yielding assets was boosted by expectations that European leaders would sign off on a second bailout deal for Greece at a meeting in Brussels later in the day and after China's central bank announced further monetary easing measures to boost growth over the weekend.

■ JPY

Today JPY fall on Monday, as hopes that a second bailout for Greece is close buoyed the single currency while the yen remained under pressure amid concerns over the impact of the currency's strength on Japan's economy. The yen weakened broadly earlier after official data showed yesterday that Japan posted a record JPY1.47 trillion trade deficit in January, fanning concerns that the strong yen is having a negative impact on the country's largely export driven economy.

Technical View on major currency

USDINR



USDINR is still trading in a very tight range of 49.20---49.60. Either side break with volume will decide further. Decisive break below 49.20 will take USDINR to 48.90---48.70 level. Further downside movement seen below 48.70 levels on closing basis but if it unable to break its support then it could test its resistance level of 49.60 levels again. A break and sustain above 49.60 will take USDINR to 50.20---50.60 level. Traders can trade with levels and wait for conformation.

EURINR



On Friday, EURINR had a volatile session and formed DOJI pattern on daily chart. We recommended selling in EURINR for the downside target of 65.10---64.60. It made a low of 64.60 and finally settled with a loss of .21% at 64.84. Today, EURINR has resistance at 65.05 and support at 64.60. A break and sustain below 64.60 will take EURINR to 64.20---63.70 level. Further downside movement seen below 63.70 levels on closing basis but if it unable to break its support then it could test its resistance level of 65.05 again. Decisive break above 65.05 will take EURINR to 65.50---66.05 level. Traders holding short as per our level can book full profit and wait for fresh entry.

GBP/INR



Source: Telequote

On Friday, GBP/INR traded with positive bias. We recommended buying in GBP/INR for the upside target of 78.05---78.35 level. It made a high of 78.25 and settled with a gain of .81% at 78.18. Today, it has support at 78.00 and resistance at 78.35. Still it looks positive and could test its resistance. Decisive break above 78.35 with volume will take GBP/INR to 78.50---78.80 level but if it unable to break its resistance then it could test its support level of 78.00 level again. A break and sustain below 78.00 will take GBP/INR to 77.70---77.50 level. Traders holding long as per our level can book part profit and revise stop loss below 78.00. Others can wait for fresh entry.

JPY/INR



Source: Telequote

As expected, JPY/INR again traded with negative bias. We recommended selling in JPY/INR for the downside target of 62.60---62.20. It made a low of 62.25 and settled with a loss of .84% at 62.44. Overall trend still looks weak and could test the level of 62.20---61.60. Fresh buying can initiate only close above 62.90 levels. Traders holding short as per our level can book full profit near to our target and wait for fresh entry.

Technical levels for currency

Currency Pairs	Expiry	LTP	% change	R1	R2	Pivot	S1	S2
USD/INR	27-Feb-12	49.39	-0.19	49.54	49.69	49.41	49.26	49.14
EURO/INR	27-Feb-12	64.96	-0.51	65.37	65.79	65.14	64.72	64.49
GBP/INR	27-Feb-12	77.5	-0.56	77.69	77.87	77.51	77.33	77.16
JPY/INR	27-Feb-12	62.91	-0.8	63.26	63.61	63.01	62.66	62.41

Major Economic Data & Events

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
10:00am	JPY	All Industries Activity m/m	1.6%	-1.1%	Positive
All Day	EUR	ECOFIN Meetings	-	-	-
8:30pm	EUR	Consumer confidence	-20	-21	Positive
3:00pm	GBP	Public Sector Net Borrowing	-8.9B	10.8B	Negative

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

Foreign currency

Currency Pairs	LTP	% change
DOLLAR INDEX	78.95	-0.55
EUR/USD	1.3243	0.80
GBP/USD	1.5843	0.14
USD/JPY	79.55	0.01

* According to 6.00 pm.



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