

SPOT CURRENCYWATCH

Spot rate	High	Low	Close	Prevailing*	Pre. Close
USD/INR*	49.32	49.05	49.21	-	49.21
USD/JPY	80.35	80.09	80.23	80.15	79.7
EUR/USD	1.326	1.3229	1.3245	1.3255	1.3234
GBP/USD	1.5671	1.5648	1.5664	1.5666	1.5781
US \$ Index	79.288	79.14	79.178	79.164	79.05

*Prevailing prices taken at the time of making the report

USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	Pre. Close	Volume*
Feb'12	49.3250	49.3475	1,745,915
Mar'12	49.6775	49.7025	187,318
Apr'12	50.0450	50.0525	33,386

*In Lots

MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	Pre. Close	Volume*
EUR/INR	Feb'12	65.2475	65.2775	42,686
GBP/INR	Feb'12	77.9700	77.5050	10,725
JPY/INR	Feb'12	61.4625	61.8475	7,915

*In Lots

MAJOR WORLD INDICES

Indices	Close	Chg	Pre. Close
S&P 500	1,357.66	-4.55	1,362.21
NIKKEI 225	9,554.00	90.98	9,463.02
SHANGHAI COMPOSITE	2,403.59	22.16	2,381.43
FTSE	5916.55	-11.65	5928.2
CNX S&P NIFTY	5505.35	-101.80	5607.15

FII ACTIVITY (Rs. million)

Date	Purchase	Sale	Net
2/22/2012	44907	29371	15536
2/21/2012	45149	40830	4319
2/17/2012	85777	70795	14982
2/16/2012	33038	24713	8325

USDINR NDF Outright

Months	Close	Pre. Close
1 Mn	49.6	49.72
6 Mn	50.95	50.9
12Mn	52.19	52.09

NDF - Non Deliverable Forward

COMMENTARY

Euro on Wednesday for the second consecutive session as euro zone purchasing managers data suggested the region could tip into recession and potentially have a knock-on effect to corporate profits.

Sterling fell to a two-month low against the euro on Wednesday after Bank of England minutes unexpectedly showed two policymakers voted for an even bigger increase in quantitative easing than the bank implemented this month.

The BoE's David Miles and Adam Posen voted to pump an extra 75 billion pounds into the economy instead of 50 billion, increasing the possibility that the central bank will opt for more easing later in the year.

Safe-haven German Bund futures rallied on Wednesday as an unexpected contraction in the euro zone service sector added to concerns about the struggle Greece faces to implement budget cuts required under its latest bailout.

RBI REFERENCE RATES

	Rate	Pre. Close
USD/INR	49.2453	49.0835
EUR/INR	65.1638	65.1705
GBP/INR	76.7485	77.7973
JPY/INR	61.5300	61.5200

DAILY VOLATILITY

	Close	Pre. Close
USD/INR	0.5477	0.5568
EUR/INR	0.7416	0.7616

COMMODITIES

	Close	Pre. Close
GOLD	28646	28350
COPPER	417.2	415.7
CRUDE	5243	5219

MCX-SX SPREAD SHEET

Contract	Feb'12	Mar'12	Apr'12
Jan'12	0.3525	0.72	0.9775
Feb'12	0	0.3675	0.625
Mar'12	0	0	0.2575

USDINR Onshore Forward Premiums

Months	Close	Pre. Close
1 Mn	37.25	37.75
3 Mn	101	100.25
12Mn	312.5	308.25



DEBT MARKETWATCH

Period	Rate	Pre. Close
Call money rate	8.5	8.8
Mibor rate	8.77	8.81
14 day Mibor	9.23	9.3
3 month Mibor	9.74	9.87
5 year G-sec	8.279	8.289
10 year G-sec	8.223	8.17
Repo Amount	1409.5 (Rs. Billion)	1304.05 (Rs. Billion)
Reverse Repo amount	46.55 (Rs. Billion)	1 (Rs. Billion)
US 5-yr Benchmark	0.8604	0.9074
US 10-yr Benchmark	2.0017	2.0609
1 month LIBOR	0.24450	0.24550
3 month LIBOR	0.49160	0.49260

COMMENTARY

The Indian rupee ended stronger on Wednesday as robust capital inflows offset dollar demand from local oil importers and negative equities, and the outlook for the currency remains positive. Dollar inflows into India are expected to stay strong and easing inflation is seen creating more room for the Reserve Bank of India to cut interest rates.

The rupee ended 0.2 percent stronger at 49.22/23 to the dollar. It moved in a band of 49.1650-49.3050 intraday.

India's economy is expected to pick up in the fiscal year starting on April 1 after growing at its slowest pace in three years in the current fiscal year, a government advisory panel said on Wednesday.

The Indian rupee is likely to open lower on today as dollar demand from oil importers is expected to remain strong. The USDINR pair is likely to trade in a range of 49.10-49.35 in spot.

IMPORTANT ECONOMIC INDICATORS

Indicator	Time	Region	Period	Expected	Prior
German Ifo Business Climate	2:30pm	EUR	Monthly	10870.00%	10830.00%
BBA Mortgage Approvals	3:00pm	GBP	Monthly	37.3K	36.2K
CBI Industrial Order Expectations	4:30pm	GBP	Monthly	-14	-1600.00%
Unemployment Claims	7:00pm	USD	Monthly	352K	348K
OFHEO HPI m/m	8:30pm	USD	Monthly	0.20%	1.00%

STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USD/INR	Feb'12	BUY	49.25	49.40	49.50	49.12
EUR/INR	Feb'12	SELL	65.40	65.20	65.10	65.55
GBP/INR	Feb'12	BUY	77.15	77.35	77.45	77.02

PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USD/INR Spot	48.92	49.07	49.19	49.34	49.46
USD/INR Feb'12	48.93	49.13	49.25	49.45	49.57
EUR/INR Feb'12	64.95	65.10	65.21	65.36	65.47
GBP/INR Feb'12	77.02	77.26	77.66	77.90	78.30
JPY/INR Feb'12	61.17	61.32	61.55	61.69	61.93

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