



FX DAILY DOSSIER

February 11, 2021

KEY MARKET THEME

- The Indian Rupee is slightly higher overnight, but fairly mixed against its peer currencies.
- The UK pound gained for the fifth day, reaching fresh highs near \$1.3850 and its highest level since April 2018.
- The euro moved slightly higher in line with the weaker dollar.

FX Majors	CMP	1W	1M
EURUSD	1.2119	1.30%	-0.31%
GBPUSD	1.3830	1.16%	1.04%
USDJPY	104.58	-0.92%	0.75%

FX Cross INR	CMP	1W	1M
USDINR	72.84	-0.14%	-0.33%
EURINR	88.27	1.16%	-0.65%
GBPINR	100.72	0.99%	0.70%
JPYINR	69.65	0.78%	-1.07%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	6.04%	8.60	14.60
US	1.13%	6.64	0.98
Germany	-0.44%	7.96	8.24
UK	0.49%	16.09	20.25

Flows	DTD	WTD	MTD
FIIs (INR Crs)	1,786.97	13,595.16	18,559.38

Note: 1W refers to 1 week change from CMP | 1M refers to 1 month change from CMP

MACRO ANALYSIS

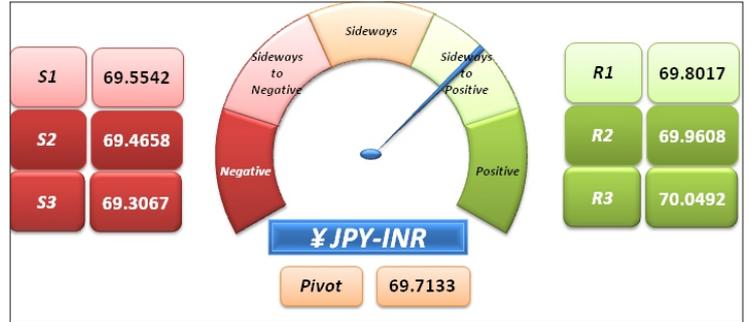
Federal Reserve Chair Jerome Powell said he wanted to see inflation at 2% or more before even thinking of tapering the bank's super-easy policies. Notably, Powell emphasised that once pandemic effects were stripped out, unemployment was nearer 10% than the reported 6.3% and thus a long way from full employment. As a result, Powell called for a "society-wide commitment" to reducing unemployment, which analysts saw as strong support for President Joe Biden \$1.9 trillion stimulus package.

The mix of endless Fed support and a tame inflation report was a salve for bond market pains and 10-year yields eased to 1.12%, from a 1.20% high early in the week. That in turn weighed on the U.S. dollar, which slipped to 90.451 on a basket of currencies and away from a 10-week top of 91.600 late last week.

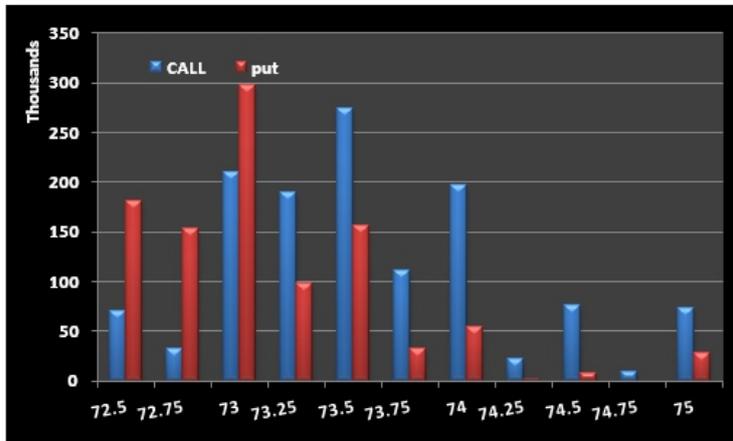
The U.S. dollar index, which tracks the greenback against a basket of its peers, was at 90.463 as it struggled to recover following a slip from above 90.8 earlier this week. The Japanese yen traded at 104.58 per dollar, still stronger than levels above 105.2 against the greenback seen early this week. Oil prices declined in the morning of Asia trading hours, with international benchmark Brent crude futures down 0.76% to \$61 per barrel.

ECONOMIC DATA

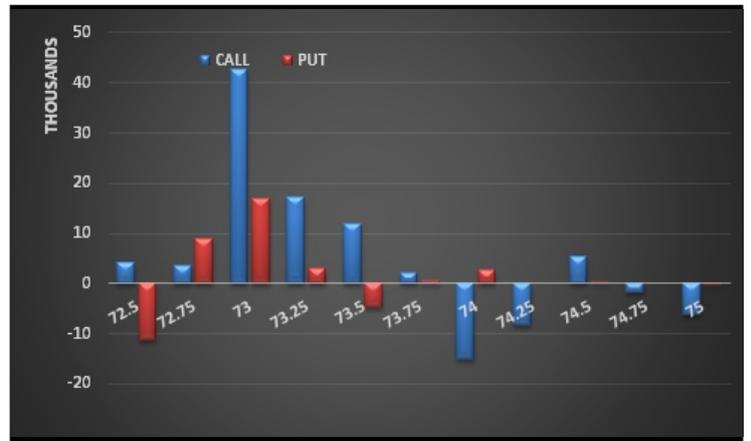
	IST	Previous	Median	SMC's Forecast
USD Unemployment Claims	19:00	779K	755K	755K



USDINR Options Activity (Near Month)



USDINR OI Change (FTD)



USDINR Option Greek Data (Near Month)

24-Feb-21	CALL				Option Greeks					PUT			Option Greeks				
	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	MKT_PRICE	Theoretical	IV	DELTA	GAMMA	VEGA	THETA	RHO	
72.99	0.0000	1.90	0.0%	0.99	0.037	0.00	-0.01	0.03	0.0000	0.00	0.4%	-0.01	0.037	0.00	0.00	0.00	
71.25	0.0000	1.90	0.0%	0.99	0.037	0.00	-0.01	0.03	0.0000	0.00	0.4%	-0.01	0.037	0.00	0.00	0.00	
71.50	1.5275	1.66	0.0%	0.97	0.070	0.01	-0.01	0.03	0.0075	0.01	5.9%	-0.03	0.070	0.01	0.00	0.00	
71.75	1.3200	1.42	0.0%	0.95	0.119	0.01	-0.01	0.03	0.0150	0.02	5.8%	-0.05	0.119	0.01	0.00	0.00	
72.00	1.0350	1.18	0.0%	0.91	0.186	0.02	-0.02	0.03	0.0150	0.03	5.0%	-0.09	0.186	0.02	0.00	0.00	
72.25	0.7900	0.96	0.0%	0.86	0.265	0.03	-0.02	0.02	0.0175	0.06	4.2%	-0.14	0.265	0.03	-0.01	0.00	
72.50	0.5650	0.76	0.0%	0.78	0.347	0.04	-0.02	0.02	0.0425	0.11	4.2%	-0.22	0.347	0.04	-0.01	-0.01	
72.75	0.3725	0.58	0.0%	0.68	0.416	0.05	-0.02	0.02	0.0950	0.18	4.3%	-0.32	0.416	0.05	-0.01	-0.01	
73.00	0.2325	0.42	2.5%	0.57	0.457	0.06	-0.02	0.02	0.2100	0.27	4.9%	-0.43	0.457	0.06	-0.01	-0.01	
73.25	0.1350	0.30	3.2%	0.46	0.462	0.057	-0.02	0.01	0.3625	0.39	5.4%	-0.54	0.462	0.06	-0.01	-0.02	
73.50	0.0775	0.20	3.6%	0.34	0.430	0.05	-0.02	0.01	0.5500	0.54	6.1%	-0.66	0.430	0.05	0.00	-0.02	
73.75	0.0450	0.12	4.0%	0.25	0.367	0.05	-0.01	0.01	0.7725	0.72	7.1%	-0.75	0.367	0.05	0.00	-0.02	
74.00	0.0300	0.07	4.5%	0.16	0.289	0.04	-0.01	0.00	0.9800	0.92	7.5%	-0.84	0.289	0.04	0.00	-0.02	
74.25	0.0250	0.04	5.3%	0.10	0.210	0.03	-0.01	0.00	1.2375	1.14	8.9%	-0.90	0.210	0.03	0.01	-0.03	
74.50	0.0200	0.02	5.9%	0.06	0.140	0.02	0.00	0.00	1.4900	1.37	10.2%	-0.94	0.140	0.02	0.01	-0.03	
74.75	0.0100	0.01	5.9%	0.03	0.087	0.01	0.00	0.00	0.0000	1.61	0.0%	-0.97	0.087	0.01	0.01	-0.03	

Currency Research Team**Arnob Biswas - Fundamental Analyst**
arnobbiswas@smcindiaonline.com**Tapish Pandey - Technical Analyst**
tapishpandey@smcindiaonline.comE-mail: smc.care@smcindiaonline.com

Moneywise. Be wise.

Corporate Office:11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com**Mumbai Office:**Lotus Corporate Park, A Wing 401 / 402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697**Kolkata Office:**18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

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