



Friday, January 3<sup>rd</sup>, 2014

**CURRENCY ACTIVITY 02/01/2014**

Currency Pairs	Closed	% Chg	Open Interest	% Chg	Total Trade Volume (Rs in Cr)	% Chg	No of Contracts Traded	% Chg
<b>USDINR</b>	62.61	0.62	366,852	5.37	3,858.56	1,578.9	618831	366,852
<b>EURINR</b>	85.72	0.12	16,486	10.80	352.96	84.31	41,235	16,486
<b>GBPINR</b>	103.55	0.65	19,492	15.36	239.38	83.11	23,175	19,492
<b>JPYINR</b>	59.40	0.52	4,468	-4.28	81.18	49.75	13,698	4,468

**CURRENCY UPDATE**

- **USD-INR-** Dollar saw abrupt bounced back from the low 62.02, and closed at near to intraday high trades as most public sector banks undertook buying activities for their requirements and as overseas investors was seen selling local shares.
- **EUR** - The euro edged lower on Thursday, as investors eyed the release of upcoming manufacturing data out of the euro zone, while the Federal Reserve's decision to begin tapering its stimulus program this month supported the greenback.
- **GBP-** The pound held steady on Thursday, after the release of worse than expected U.K. manufacturing data while investors eyed upcoming U.S. economic reports to be released later in the trading session..
- **JPY-** The yen remained mixed with subdued holiday trade on Thursday, as market sentiment improved ahead of the year end although demand for the greenback remained supported.

**IMPORTANT NEWS ROUNDUP**

- U.K. manufacturing PMI fell to a seasonally adjusted 57.3 last month from a reading of 58.1 in November.
- Euro zone's manufacturing PMI remained unchanged at 52.7, from 52.7 in the preceding month..
- Italian manufacturing purchasing managers' index rose to a seasonally adjusted 53.3 last month from a reading of 51.4 in November. Analysts had expected the index to rise to 51.8 in December.



CURRENCY TO FOCUS – USD-INR (JAN)

Intraday USD-INR Trend : Consolidation



**Overview:** USD-INR took a abrupt bullish rally from the day low 62.02 made a high 62.70 and settled at 62.60 up 76%. Pair broke the three week high and the short term trend line resistance at 62.62, however settled below it. For Friday, 62.70 will act as an immediate resistance, and a valid buy entry could expected above it. Or else short time pullback could expect from this level.

(In Rs.)	Target	SL
Buy 62.45-62.42	62.62-62.70	62.30.
And; Or		
Sell below 62.28	62.10-62.00	62.40.

FOREIGN CURRENCY AND TECHNICAL LEVELS

Symbol	Last Rate	% Chg	Currency Pairs	R1	R2	Pivot	S1	S2
DOLLAR INDEX	80.55	-0.01	USDINR	62.867	63.123	62.4	62.187	61.763
EUR/USD	1.3656	-0.10	EURINR	85.997	86.183	85.7	85.487	85.163
GBP/USD	1.6437	-0.08	GBPINR	103.960	104.250	103.4	103.090	102.510
USD/JPY	104.28	-0.48	JPYINR	59.677	59.863	59.3	59.127	58.763

Major Economic Data and Events Schedule (For 03/02/2014)

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
6:30am	CNY	Non-Manufacturing PMI	56.00	-	-
12:30pm	GBP	Nationwide HPI m/m	0.80%	0.60%	Positive
1:30pm	EUR	Spanish Unemployment Change	-	-2.5K	-
2:30pm	EUR	M3 Money Supply y/y	1.50%	1.40%	Positive
3:00pm	GBP	Construction PMI	62.30	62.60	Negative
	GBP	BOE Credit Conditions Survey	-	-	-
	GBP	Net Lending to Individuals m/m	2.0B	1.7B	Positive

Impact - High Medium Low

**Note:** Economic data expectations are based on median forecast by economists or Reuters and Bloomberg survey. Here positive impact indicates currency could appreciate and negative indicates currency could depreciate in comparison with US Dollar.



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