



Tuesday, Dec 10th, 2013

CURRENCY ACTIVITY 09/12/2013

Currency Pairs	Closed	% Chg	Open Interest	% Chg	Total Trade Volume (Rs in Cr)	% Chg	No of Contracts Traded	% Chg
USDINR	61.25	-0.98	412,152	15.26	4,193.91	52.32	682575	53.60
EURINR	84.00	-0.84	18,485	25.13	376.00	108.85	44,754	110.23
GBPINR	100.34	-0.84	11,019	24.93	344.00	81.22	34,393	83.25
JPYINR	59.44	-1.92	5,639	42.36	52.00	-33.26	8,805	-31.46

CURRENCY UPDATE

- **USD-INR** - Pair opened at sixteen week low after India's Opposition Bharatiya Janata Party won seats in Rajasthan and Madhya Pradesh offsetting fears of the US Federal Reserve tapering its stimulus measures on robust economic data. Meanwhile stronger China surplus trade data also helped support the rupee.
- **EUR** - The euro traded near to six- week highs against the dollar on Monday and hit a fresh five year peak as stronger-than-forecast U.S. jobs data bolstered investor demand for riskier assets. EUR/USD was up 0.11% at 1.3719.
- **GBP**- The pound hit fresh session highs against the U.S. dollar in light trade on Monday, as demand for riskier assets remained supported by Friday's strong U.S. employment report. GBP/USD was up 0.20% at 1.6380.
- **JPY**- The Japanese yen retained an early spurt of weakness Monday after revised third quarter GDP data rose less than forecast and on remarks at the weekend by Bank of Japan Governor Haruhiko Kuroda that scaling back current aggressive monetary policy may be more difficult than a five-year effort that ended in 2006.USD/JPY was up 0.18% at 103.06.

NEWS ROUNDUP

- Euro zone for December unexpectedly declined, fuelling concerns over the outlook for the region's economy, data showed on Monday.
- Swiss retail sales increased at annualized rate of 1.2% in October.
- Germany's Trade Balance fell to 16.8B, from 18.7B in the preceding month whose figure was revised down from 18.8B.
- The India benchmark 10-year bond yields fell 4 basis points to 8.81%.



CURRENCY TO FOCUS – USD-INR (DEC)

Intraday USD-INR Trend : Volatile



Overview: USD-INR opened with one percent correction in the start of the week. After testing nearly about sixteen week low at 61.05 pair saw a consolidation around 61.30. At end of the day closed at 61.26, and unable to break its important support 61.05.

Resistance - Immediate resistance at 61.50, above this we could expect momentum upside level till 61.72-61.85.

Support - Immediate support is seen at 60.95 sustain trade below expected to test 60.80-60.70.

(In Rs.)	Target	SL
Sell below 60.98	60.80-60.65	61.10.
And; Or		
Buy above 61.50	61.72-61.85	61.35.

FOREIGN CURRENCY AND TECHNICAL LEVELS

Symbol	Currency* At 8:45 AM.	% Chg	Currency Pairs	R1	R2	Pivot	S1	S2
DOLLAR INDEX	80.03	-0.14	USDINR	61.447	61.643	61.2	61.047	60.843
EUR/USD	1.3759	0.16	EURINR	84.963	84.937	84.8	84.853	84.717
GBP/USD	1.6451	0.14	GBPINR	100.597	100.863	100.2	99.917	99.503
USD/JPY	103.21	-0.03	JPYINR	59.620	59.810	59.5	59.280	59.130

Major Economic Data and Events Schedule (For 10/12/2013)

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
5:20am	JPY	BSI Manufacturing Index	17.20	15.20	Positive
		Tertiary Industry Activity m/m	0.30%	-0.20%	Positive
10th-15th	CNY	New Loans	585B	506B	Positive
11:00am	CNY	Industrial Production y/y	10.20%	10.30%	Negative
	CNY	Fixed Asset Investment ytd/y	20.10%	20.10%	Neutral
1:15pm	EUR	French Industrial Production m/m	0.20%	-0.50%	Positive
3:00pm	GBP	Manufacturing Production m/m	0.40%	1.20%	Negative
	GBP	Trade Balance	-9.1B	-9.8B	Negative
All Day	EUR	ECOFIN Meetings	-	-	-
5:30pm	EUR	ECB President Draghi Speaks	-	-	-
8:30pm	GBP	NIESR GDP Estimate	-	0.70%	-

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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