



Wednesday, Dec 11th, 2013

CURRENCY ACTIVITY 10/12/2013

Currency Pairs	Closed	% Chg	Open Interest	% Chg	Total Trade Volume (Rs in Cr)	% Chg	No of Contracts Traded	% Chg
USDINR	61.30	0.02	415,528	0.82	3,836.13	-8.53	624196	-8.55
EURINR	84.23	0.20	21,828	18.08	289.52	-23.00	34,296	-23.37
GBPINR	59.51	0.08	10,768	-2.28	242.54	-29.49	24,019	-30.16
JPYINR	100.89	0.45	5,433	-3.65	57.04	9.69	9,583	8.84

CURRENCY UPDATE

- **USD-INR** : The dollar was able to recover some losses against the Rupee on Tuesday as oil importers undertook buying activities on in coupled with negative trend in the local share market even as BJP's victory in state elections helped support the local currency.
- **EUR** - The euro extended its recent bullish trend on Tuesday and made a fresh six-week highs against the dollar as risk appetite continued to be underpinned after the latest U.S. jobs report was stronger than forecast. EUR/USD was up 0.11% at 1.3744.
- **GBP**- The pound maintained its upwards trend on Tuesday made a high of 1.6464, the strongest level in 27 months helped by manufacturing production data which meets to expectations while deficit narrowed in the month of Oct. GBP/USD was up 0.20% at 1.6380.
- **JPY**- The yen weakened against the stronger euro which boosted on the expectations of a rebound in growth in the euro zone and after. Demand for the low-yielding currency fell on caution ahead of the US FOMC minutes as the Fed may be hawkish in its stance.USD/JPY was up 0.05% at 103.19.

IMPORTANT NEWS ROUNDUP

- U.K. manufacturing production increased by 0.4% in October, meeting expectations. Manufacturing production in September rose by 1.2%.
- U.K. goods trade deficit narrowed to GBP9.73 billion in October from a deficit of GBP10.01 billion in September.
- Chinese Industrial Production drop to 10.0%, from 10.3% in the preceding month.



CURRENCY TO FOCUS – USD-INR (DEC)

Intraday USD-INR Trend : Consolidation



Overview: USD-INR rebounded from the day's low of 61.11 on Tuesday and settled slightly up 0.02% at 61.30, traded above its crucial support level. At end of the day formed an inverted hammer candle stick, signaling for further upside move.

Resistance - Immediate resistance at 61.55, sustain trade above this we could expect momentum upside level till 61.77-62.00.

Support - Immediate support is seen at 61.18 sustain trade below expected to test 61.05. Crucial support is at 60.98.

(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	0.13	USDINR	61.503	61.747	61.3	61.063	60.867
EUR/USD	1.3747	-0.09	EURINR	84.497	84.823	84.3	83.967	83.763
GBP/USD	1.6434	-0.06	GBPINR	59.707	59.923	59.5	59.247	59.003
USD/JPY	102.80	-0.03	JPYINR	101.193	101.587	100.9	100.473	100.147

Major Economic Data and Events Schedule (For 11/12/2013)

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
5:20am	JPY	Core Machinery Orders m/m	0.90%	-2.10%	Positive
	JPY	CGPI y/y	2.70%	2.50%	Positive
11th-15th	CNY	New Loans	585B	506B	Positive
12:00pm	EUR	French Final Non-Farm Payrolls q/q	-0.10%	-0.10%	Neutral
12:30pm	EUR	German Final CPI m/m	0.20%	0.20%	Neutral
6:30pm	GBP	MPC Member Weale Speaks	-	-	-
8:30pm	USD	Treasury Sec Lew Speaks	-	-	-
11:31pm	USD	10-y Bond Auction	-	2.75 2.7	-

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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