



Thursday, Dec 26th, 2013

CURRENCY ACTIVITY 24/12/2013

Currency Pairs	Closed	% Chg	Open Interest	% Chg	Total Trade Volume (Rs in Cr)	% Chg	No of Contracts Traded	% Chg
USDINR	61.89	-0.31	443,840	-4.24	3,348.09	34.19	402328	-25.19
EURINR	84.62	-0.35	19,200	-1.36	198.00	4.34	23,436	4.83
GBPINR	101.20	-0.24	13,965	9.04	200.00	-16.84	19,791	-16.49
JPYINR	59.37	-0.68	5,384	3.06	80.24	42.17	13,491	42.69

CURRENCY UPDATE

- **USD-INR-** The dollar saw a thin range against the Rupee on Tuesday, as the Christmas and New Year holiday mood among the Asian and European currencies has witnessed a little interest to take on fresh positions during the day.
- **EUR** - The euro remained slightly positive with light trade, as investors locked in gains after the greenback's rally last week following the Federal Reserve's decision to begin tapering its stimulus program in January.
- **GBP-** The pound moved higher after a U.S. consumer sentiment barometer came in just shy of expectations and sparked a modest dollar selloff, wiping out gains sustained in wake of the Federal Reserve's decision to taper stimulus programs.
- **JPY-** Yen stayed weaker against the dollar, as demand for the greenback remained supported amid indications of an improving U.S. economy.

IMPORTANT NEWS ROUNDUP

- U.K. number of new mortgages approved rose to 45,000 last month from October's revised total of 43,300.
- U.S. new home sales fell by 2.1% to a seasonally adjusted 464,000 units last months, compared to expectations for a decline to 445,000. New home sales for October rose by 474,000 units.



CURRENCY TO FOCUS – USD-INR (JAN)

Intraday USD-INR Trend : Consolidation



Overview: After witnessing a very tight trading range in between the 62.40--62.29 levels, USD-INR took a small correction just before the Tuesday closing, settled at 62.27. On the above chart, we can see that the pair is trading above the crucial support 62.20 while a doji candle stick is indicating relatively indecision. For the short time perspective USD-INR is still in a consolidation phase unless it breaks above the 62.45 or break down below 62.20 on the closing basis.

The Christmas and New Year holiday mood among the Asian and European currencies may contribute the thin range and little interest to take on fresh positions during the day.

(In Rs.)	Target	SL
Sell below 62.20	61.95	62.38
And; Or		
Buy above 62.45	62.60-62.75	62.2850.

FOREIGN CURRENCY AND TECHNICAL LEVELS

Symbol	Last Rate At 8.45 AM	% Chg	Currency Pairs	R1	R2	Pivot	S1	S2
DOLLAR INDEX	80.54	0.01	USDINR	61.940	62.050	61.9	61.770	61.710
EUR/USD	1.3682	0.05	EURINR	84.703	84.877	84.6	84.443	84.357
GBP/USD	1.6391	0.23	GBPINR	101.307	101.473	101.2	101.007	100.873
USD/JPY	104.73	0.42	JPYINR	59.473	59.607	59.4	59.253	59.167

Major Economic Data and Events Schedule (For 26/12/2013)

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
4:45am	JPY	Manufacturing PMI	55.10	-	-
5:20am	JPY	Monetary Policy Meeting Minutes	-	-	-
10:30am	JPY	Housing Starts y/y	9.50%	7.10%	Positive
All Day	EUR	German Bank Holiday	-	-	-
All Day	EUR	Italian Bank Holiday	-	-	-
All Day	GBP	Bank Holiday	-	-	-
7:00pm	USD	Unemployment Claims	382K	379K	Positive



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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