



Tuesday, Dec 31<sup>st</sup>, 2013

**CURRENCY ACTIVITY 30/12/2013**

Currency Pairs	Closed	% Chg	Open Interest	% Chg	Total Trade Volume (Rs in Cr)	% Chg	No of Contracts Traded	% Chg
<b>USDINR</b>	62.25	-0.17	331,102	-31.29	2,621.20	-51.85	419946	-51.92
<b>EURINR</b>	85.68	-0.40	11,617	-49.05	367.31	-11.83	42,832	-11.92
<b>GBPINR</b>	102.56	-0.40	15,008	-1.59	290.26	-25.18	28,260	-25.34
<b>JPYINR</b>	59.27	-0.47	3,813	-11.47	63.10	-19.30	10,640	-19.05

**CURRENCY UPDATE**

- **USD-INR-** The dollar remained indecisive on Monday as some selling pressure was noted amid foreign bank closing of books ahead of the end of the year while month end oil importers demand limited the losses.
- **EUR** -Euro traded flat on Monday as foreign banks squared off the position on the eve of New Year amid support from Draghi's comments amid most investors have been demanding the euro ahead of the end of the year against the dollar index.
- **GBP-** The pound remained slightly positive at 1.6499 against the U.S. dollar on Monday, trading within close distance of a 28-month high as market sentiment found support in light year-end trade.
- **JPY-** The yen failed to a five-year end at 105.40 against the U.S. dollar on Monday, amid improving risk sentiment before the year end and growing expectations for the Bank of Japan to implement fresh stimulus measures.

**IMPORTANT NEWS ROUNDUP**

- Italy saw borrowing costs inch slightly higher at an auction of ten-year government bonds on Monday, as investors continued to gauge the health of the euro zone's third-largest economy. Bond yields inch higher as Italy sells 10-year debt Bond yields rise to 4.11% from 4.01% as Italy sells 10-year debt.
- U.S. pending home sales index increased by a seasonally adjusted 0.2% last month, disappointing expectations for a 1% gain.



CURRENCY TO FOCUS – USD-INR (JAN)

Intraday USD-INR Trend : Consolidation



**Overview:** USD-INR stayed between the 62.52-62.25 level on Monday, after hitting an intraday high of 62.5225, settled at 62.25. On the above intraday chart, we can see that the pair broke the short term triangle pattern which is indicating the downside Target 61.85-61.79. Strong resistance level will stay at 62.62 only sustain trade above bullish trend could be arise.

**Main Event:** India April-November federal fiscal deficit data.

(In Rs.)	Target	SL
Sell 62.45-62.42	62.20-62.10	62.58.
And; Or		
Buy above 62.62	62.78-62.90	62.48.

FOREIGN CURRENCY AND TECHNICAL LEVELS

Symbol	Last Rate At 8.45 AM	% Chg	Currency Pairs	R1	R2	Pivot	S1	S2
<b>DOLLAR INDEX</b>	80.03	0.00	<b>USDINR</b>	62.430	62.630	62.3	62.120	62.010
<b>EUR/USD</b>	1.3795	-0.05	<b>EURINR</b>	85.933	86.247	85.8	85.453	85.287
<b>GBP/USD</b>	1.6481	-0.12	<b>GBPINR</b>	102.843	103.257	102.6	102.213	101.997
<b>USD/JPY</b>	104.88	-0.24	<b>JPYINR</b>	60.320	61.400	59.7	58.590	57.940

Major Economic Data and Events Schedule (For 31/12/2013)

Time	Currency	Economic Indicators	Forecast	Previous	Possible Impact
All Day	JPY	Bank Holiday	-	-	-
All Day	EUR	German Bank Holiday	-	-	-
7:30pm	USD	S&P/CS Composite-20 HPI y/y	13.40%	13.30%	Positive
8:15pm	USD	Chicago PMI	61.30	63.00	Negative
8:30pm	USD	CB Consumer Confidence	76.50	70.40	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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RCH-DCR-00