

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR
USD/INR	69.50	0.39%	-0.9%	6%
EUR/INR	78.05	0.38%	-0.8%	-2%
GBP/INR	90.79	0.40%	-1.1%	-1%
JPY/INR	62.39	0.66%	-1.0%	3%
EUR/USD	1.1229	0.12%	-0.1%	-9%
GBP/USD	1.3064	0.20%	0.4%	-8%
USD/JPY	111.40	-0.30%	0.2%	4%
USD/CNH	6.7239	0.17%	-0.1%	6%
10 YR YIELD- IN	7.38	0.02	0.01	0.20
10 YR YIELD- USA	2.49	(0.01)	(0.14)	(0.29)
GOLD (\$/Oz)	1,296	0.4%	0%	-3%
SILVER (\$/Oz)	15.16	0.3%	-1%	-8%
BRENT CRUDE (\$/Brl)	70.68	0.5%	8%	5%
COPPER 3M (\$/Ton)	6401	-0.8%	-1%	-6%
NIFTY	11689	0.19%	5.92%	13%
HANGSENG	30017	0.27%	3.65%	2%
S&P 500	2893	0.46%	5.46%	11%
INR 1M FWD	0.28	(0.04)	(0.01)	0.05
INR 2M FWD	0.55	0.00	(0.02)	0.09
INR 3M FWD	0.78	(0.05)	0.01	0.10
INR 6M FWD	1.45	(0.06)	(0.06)	0.13
INR 12M FWD	2.70	(0.01)	(0.18)	0.20
	1 DAY	MTD	QTD	CTD
FII INVESTMENT- EQ (\$ Mn)	(30)	(83)	(83)	8,362
FII INVESTMENT- DEBT (\$ Mn)	(209)	(780)	(780)	505
TOTAL- (\$ Mn)	(239)	(862)	(862)	8,866

CURRENCY	ECONOMIC DATA
EUR	Sentix Investor Confidence
USD	Factory Orders

WORLD NEWSWIRE

- China's National Development and Reform Commission (NDRC), the 'state planner' is to relax residency curbs in some cities.

FX VIEW

When oil is threatening to boil, why won't the Rupee toil? It is indeed. Brent has breached 70.00 and inching closer to 71 handle. OPEC+ production cuts have done the job, as excess barrels are vanishing. Sanctions can cut 500,000 bpd of Venezuelan exports. Iran is still enjoying a waiver from US on its exports but any reports of US rolling back some of that waiver can cause a even bigger spike in oil prices. On the negative front for oil, the agreement between Russia and OPEC on production cuts is coming to an end in July and unless both sides agree to extend it, we can see Russia, pump up its oil output. Outside OPEC, US crude oil production reached a record 12.2 million bpd in late March. U.S. crude exports have also risen, breaking through 3 million bpd for the first time earlier this year. Therefore, demand-supply dynamic can remain favourable for Brent till the mid of year, post which it can turn unfavourable if OPEC+ production cut agreement expires. Additionally, the risk on rally in Emerging market equity and DM equity is a major pull factor for oil prices too. Therefore, all in all, for the month of April, oil can once again become a significant headwind for INR and INR bonds. Interestingly during the first week of April, FPIs have sold near USD 800 million, primarily on account of rising oil prices and also post RBI policy. These flows can be extremely fickle. They can turn on a dime depending on events like LS elections, oil prices and global risk trends.

INR forwards have cooled off at the short end, possibly due to PSU banks selling in forwards and buying in spot. However, 1 year forwards have continued to inch higher, completely erasing the decline it suffered after RBI announced USD swap in March. However, expectation of dovish monetary policy can keep the forwards capped.

Lok Sabha elections get underway this week, with phase 1 scheduled on coming Thursday. We would urge our readers to actively participate in this festival of Democracy and cast their important vote. Volatility in Rupee may narrow as large speculators await for cues from the voting. Low volatility but erratic moves can remain the theme for the greater part of April.

In global news, GBP will continue to swing wildly. This week, traders await two events. One, EU is scheduled to vote on the request from UK to extend the Brexit date to June 30th. If EU offers a shorter extension, then it can increase the odds for a "no deal" Brexit and GBP can fall sharply. In another event, on Thursday, UK Parliament will once again vote on the Brexit deal and attempts are being made, across party lines, to garner support for the same. If the vote passes and EU agrees to June 30th deadline, then GBPUSD can pull back towards 1.33/1.3350 zone.

TECHNICAL VIEW:

USDINR may have formed an interim bottom. With rising oil prices, there is scope for an eventual move towards 70.30/50 levels on spot. This view will be negated if prices trade below 68.80 and sustain. Therefore, buying on decline is advisable with stop below 68.80 on spot. On crosses, we prefer GBPINR, where buying can be done with stop below 89.00 on spot.

*** CHART ON NEXT PAGE***



RISING EQUITY MARKET A TAIL WIND FOR OIL PRICES & RISING OIL PRICES A TAILWIND FOR DOLLAR AGAINST RUPEE

Source: Bloomberg

Disclaimer/Disclosures

Kotak Securities Limited established in 1994, is a subsidiary of Kotak Mahindra Bank Limited. Kotak Securities is one of India's largest brokerage and distribution house. Kotak Securities Limited is a corporate trading and clearing member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), Metropolitan Stock Exchange of India Limited (MSE), National Commodity and Derivatives Exchange (NCDEX) and Multi Commodity Exchange(MCX).Our businesses include stock broking, services rendered in connection with distribution of primary market issues and financial products like mutual funds and fixed deposits, depository services and Portfolio Management.

Kotak Securities Limited is also a depository participant with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Kotak Securities Limited is also registered with Insurance Regulatory and Development Authority as Corporate Agent for Kotak Mahindra Old Mutual Life Insurance Limited and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI). We are registered as a Research Analyst under SEBI (Research Analyst) Regulations, 2014.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered in last five years. However SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advise/warning/deficiency letters or levied minor penalty on KSL for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time. We offer our research services to clients as well as our prospects.

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions. This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of clients of Kotak Securities Ltd. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed. Neither Kotak Securities Limited, nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavour to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

Kotak Securities Limited has two independent equity research groups: Institutional Equities and Private Client Group. This report has been prepared by the Private Client Group. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Equities Research Group of Kotak Securities Limited. We and our affiliates/associates, officers, directors, and employees, Research Analyst(including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed if any or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance. Kotak Securities Limited (KSL) may have proprietary long/short position in the above mentioned scrip(s) and therefore may should be considered as interested. The views provided herein are general in nature and does not consider risk appetite or investment objective of particular investor; readers are requested to take independent professional advice before investing. This should not be construed as invitation or solicitation to do business with KSL. Kotak Securities Limited is also a Portfolio Manager. Portfolio Management Team (PMS) takes its investment decisions independent of the PCG research and accordingly PMS may have positions contrary to the PCG research recommendation. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies if any and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Disclaimer/Disclosures

No part of this material may be duplicated in any form and/or redistributed without Kotak Securities' prior written consent. Details of Associates are available on our website ie www.kotak.com Research Analyst has served as an officer, director or employee of Subject Company: NA

We or our associates may have received compensation from the subject company, if any in the past 12 months.

We or our associates may have managed or co-managed public offering of securities for the subject company(ies) in the past 12 months: NA

We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company, if any in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company, if any in the past 12 months. We or our associates have not received any compensation or other benefits from the Subject Company if any or third party in connection with the research report. Our associates may have financial interest in the subject company if any.

Research Analyst or his/her relative's financial interest in the subject company(ies) : NA

Kotak Securities Limited has financial interest in the subject company(ies) at the end of the month immediately preceding the date of publication of Research Report : NA

Our associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Research Analyst or his/her relatives has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NA

Kotak Securities Limited has actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: NA

Subject Company, if any may have been client during twelve months preceding the date of distribution of the research report.

Kotak Securities Limited. Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051. CIN: U99999MH1994PLC134051, Telephone No.: +22 43360000, Fax No.: +22 67132430. Website: www.kotak.com / www.kotaksecurities.com. Correspondence Address: Infinity IT Park, Bldg. No 21, Opp. Film City Road, A K Vaidya Marg, Malad (East), Mumbai 400097. Telephone No: 42856825. SEBI Registration No: INZ000200137(Member of NSE, BSE, MSE, MCX & NCDEX), AMFI ARN 0164, PMS INP000000258 and Research Analyst INH000000586. NSDL/CDSL: IN-DP-NSDL-23-97.

Compliance Officer Details: Mr. Manoj Agarwal. Call: 022 - 4285 8484, or Email: ks.compliance@kotak.com. In case you require any clarification or have any concern, kindly write to us at below email ids:

o Level 1: For Trading related queries, contact our customer service at 'service.securities@kotak.com' and for demat account related queries contact us at ks.demat@kotak.com or call us on: Toll free numbers 18002099191 / 1860 266 9191

o Level 2: If you do not receive a satisfactory response at Level 1 within 3 working days, you may write to us at ks.escalation@kotak.com or call us on 022-42858445 and if you feel you are still unheard, write to our customer service HOD at ks.servicehead@kotak.com or call us on 022-42858208.

o Level 3: If you still have not received a satisfactory response at Level 2 within 3 working days, you may contact our Compliance Officer (Name: Manoj Agarwal) at ks.compliance@kotak.com or call on 91- (022) 4285 6825.

o Level 4: If you have not received a satisfactory response at Level 3 within 7 working days, you may also approach CEO (Mr. Kamlesh Rao) at ceo.ks@kotak.com or call on 91-(022) 4285 8301.