

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR	
USD/INR	70.88	-0.73%	3.3%	1%	
EUR/INR	79.20	-1.12%	2.4%	-1%	
GBP/INR	85.46	-0.94%	-0.7%	-4%	
JPY/INR	66.73	-0.09%	4.8%	6%	
EUR/USD	1.1172	0.01%	-0.8%	-2%	
GBP/USD	1.2056	-0.03%	-3.7%	-5%	
USD/JPY	106.37	-0.35%	-1.4%	-4%	
USD/CNH	7.03	0.31%	2.3%	2%	
10 YR YIELD- IN	6.54	0.02	0.06	(1.27)	
10 YR YIELD- USA	1.67	(0.03)	(0.45)	(1.23)	
GOLD (\$/Oz)	1,502	0.1%	6%	26%	
SILVER (\$/Oz)	16.97	0.0%	10%	13%	
BRENT CRUDE (\$/Brl)	60.64	-1.1%	-9%	-16%	
COPPER 3M (\$/Ton)	5829	1.5%	-2%	-5%	
NIFTY	10990	0.6%	-4.9%	-3.9%	
HANGSENG	25431	0.6%	-10.7%	-8.4%	
S&P 500	2926	1.5%	-2.9%	3.0%	
INR 1M FWD	0.23	0.01	(0.00)	(0.03)	
INR 3M FWD	0.72	0.00	0.02	(0.04)	
INR 12M FWD	2.92	0.01	(0.20)	(0.09)	
USDINR 1 MONTH ATM IV	6.88	(0.19)	1.96	0.28	
USDINR 3 MONTH ATM IV	6.84	(0.04)	1.67	0.21	
		1 DAY	MTD	QTD	CTD
FII INVESTMENT- EQ (\$ Mn)		(106)	(1,486)	(3,420)	7,919
FII INVESTMENT- DEBT (\$ Mn)		12	164	1,389	2,818
TOTAL- (\$ Mn)		(94)	(1,322)	(2,031)	10,736

CURRENCY	ECONOMIC DATA
EUR	German Prelim GDP

TECHNICAL VIEW

Currency pair ==> USDINR spot

View = Bullish. Buy between 70.70/90, stop below 70.45 on spot basis. Target 71.50/80. Only a close below 70.45 would negate the bullish view.

Currency pair ==> EURUSD spot

View = Bearish. Sell between 1.1200/30, stop above 1.1280. Target 1.1100/1.1050.

MACRO VIEW

- 1) Dollar Rupee closed 60 paise higher yesterday as demand for Dollars from FPIs and large speculators overwhelmed whatever offers came from exporters and RBI. It was bloodbath in the domestic equity bourses with Nifty and Sensex down nearly 2%. Midcap, small cap, banks, IT and auto led the sell off. 10 year GOISec closed marginally higher, by 3 bps, at 6.53%.
- 2) Overnight US stock market ripped higher, finishing the day with 1.4% to 2% gains across major indices. Stocks soared on Tuesday after the U.S. decided to delay tariffs on certain Chinese goods while outright removing some items from the tariff list. This means that certain items of clothing and electronics will not be slapped with 10% tariffs and for some other items the 10% tariff to be implemented from December 15th, instead of next month. This is being done to save US consumers from higher prices. There were also reports of telephonic negotiations between the trade representatives of both the nations. Risk on mood lifted the US bond yields too. US 10 year is now at 1.69%. However yield continue to invert, which is a negative sign for global economy.
- 3) Dollar index rallied 40 bps to 97.78, thanks to talk of a trade truce between China and US. Yen tanked sharply as risk assets ripped higher.
- 4) Brent crude oil prices rallied by more than 4%, thanks to the risk on mood in financial markets. Brent crude is now quoting 61 dollars a barrel. Gold prices declined due to the rally in Dollar as spot Gold was last quoted at 1510 dollars an ounce.
- 5) Asian stock markets are trading in the green but they are all off their intraday highs as Yuan weakened. It seems that the bandaid of last nights move is slowly fading. If that be the case then Dollar fN strengthen against Asian currencies once again. Nifty too may find it difficult to hold onto its opening gains.
- 6) Dollar Rupee is quoting a spot reference of 71.00 in the NDF. If onshore opens with such a large gap down, we would be inclined to buy dollar and short Rupee.
- 7) In major economic data, keep an eye on German second quarter GDPs prelim estimate. Consensus is for a contraction of 10 bps. Yesterday, The German ZEW indicator of economic sentiment crashed to lowest level since December 2011. Therefore, if GDP too comes weaker, Euro can fall against USD.

NEWSWIRE

- 1) India's retail inflation rate in July grew 3.15 percent, remaining comfortably within RBI target level of 4%. Core inflation surprised on the upside, recording an uptick of 4.4% in July (4.1% in June) led by gains across personal care, recreation and amusement, and housing.

*** CHART ON NEXT PAGE ***

DOLLAR RUPEE SPOT- DAILY

U.S. Dollar / Indian Rupee · 1D · IDC 070.9900 H70.9900 L70.8625 C70.8700 -0.5290 (-0.74%)
EMA (110, close) 69.6608
Ichimoku (9, 26, 52, 26) 70.3468 69.8943 70.8700 69.0273 69.4913

Higher tops & higher bottom mark the intermediate uptrend in USDINR.

Near term range can be between **point A** and **point B** @ 70.50-71.50

Point A



Point B

A break below 70.50 is needed to signal that the uptrend has exhausted itself

Source: TradingView

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