

INSTRUMENT	LAST PRICE	1 DAY	1 MONTH	1 YEAR
USD/INR	69.01	0.12%	-0.5%	0%
EUR/INR	77.23	-0.08%	-2.3%	-4%
GBP/INR	85.95	0.08%	-2.9%	-5%
JPY/INR	63.81	-0.11%	-1.4%	3%
EUR/USD	1.1191	-0.16%	-1.8%	-4%
GBP/USD	1.2455	-0.17%	-2.3%	-5%
USD/JPY	108.15	0.26%	0.8%	-3%
USD/CNH	6.8845	0.01%	0.1%	1%
10 YR YIELD- IN	6.42	0.01	(0.44)	(1.39)
10 YR YIELD- USA	2.05	0.01	(0.00)	(0.90)
GOLD (\$/Oz)	1,417	-0.6%	0%	16%
SILVER (\$/Oz)	16.23	-0.8%	5%	6%
BRENT CRUDE (\$/Brl)	63.34	0.1%	-3%	-13%
COPPER 3M (\$/Ton)	6018	-0.8%	1%	-2%
NIFTY	11347	0.00%	-3.22%	2%
HANGSENG	28402	0.11%	-0.25%	1%
S&P 500	2985	0.28%	1.17%	6%
INR 1M FWD	0.24	(0.01)	(0.07)	(0.01)
INR 2M FWD	0.45	(0.01)	(0.14)	(0.04)
INR 3M FWD	0.70	(0.00)	(0.16)	(0.04)
INR 6M FWD	1.47	0.01	(0.19)	(0.02)
INR 12M FWD	3.04	(0.00)	(0.24)	0.08
	<b>1 DAY</b>	<b>MTD</b>	<b>QTD</b>	<b>CTD</b>
FII INVESTMENT- EQ (\$ Mn)	(157)	(1,196)	(1,196)	10,143
FII INVESTMENT- DEBT (\$ Mn)	106	1,198	1,198	2,627
TOTAL- (\$ Mn)	(52)	3	3	12,770

CURRENCY	ECONOMIC DATA
USD	Existing Home Sales
USD	Richmond Manufacturing Index

#### INDIA NEWSWIRE

- The Supreme Court has ordered 'status quo' on the National Company Law Appellate Tribunal's approval of ArcelorMittal's bid to acquire the insolvent Essar Steel.

#### WORLD NEWSWIRE

- UK Foreign Secretary Jeremy Hunt turns up the heat, labeling Iran's maritime act as "state piracy", adding that European governments will assemble a naval mission to provide safe passage for ships through the Persian Gulf.

#### FX VIEW

Yesterday Rupee closed 11 paise stronger against the Dollar, at 68.92, after trading within an ultra-narrow range for throughout the day. The last hour sell-off occurred due to a couple of large corporates selling dollars in the OTC market. Local stocks closed weak and even the bond yields nudged higher. Bond yields moved higher after the RBI governor signalled that RBI may be nearing the end of its rate cut cycle. OIS market is pricing another 25 bps cut in the next policy, which may become the final one before a long pause. NBFC stocks took it on the chin after RBI governor said he was closely monitoring non-banking financial companies for signs of contagion and sees "signs of fragility" in some lenders. Governor also said that RBI has no plans of opening any liquidity window for NBFCs.

NBFC crises has several aspects to it. It has not only impacted credit availability to retails and MSME sectors but also has created the risk of a contagion, which can spill over into the banking space. Real estate sector is badly affected. Real estate sector has major economic linkage. With real estate sector in doldrums and then the one two punch from tightening lending norms to real estate and higher taxes on rich, can deliver knockout to the sector. Real estate has been a major creator of employment in both the organised as well as the unorganised sector. Longer the sector remains stressed, the more shall be the adverse impact on employment generation. A stressed real estate is also becoming a headache for the lenders too, as NPAs rise.

Overnight US stock market closed in the green and Asian stocks are also trading higher today. Brent crude oil is hovering above 63.00 dollars a barrel but Dollar is trading strong against majors like Euro and GBP. However, weakness in major may not affect the Rupee as Euro is being plagued by dovish ECB and GBP is being pulled down by the domestic political risk and Brexit risk. USDINR may open flat, around 68.90/92 on spot. Bias remains bullish for Rupee against Dollar, Euro and GBP.

#### TECHNICAL VIEW & RUPEE CROSSES:

Primary downtrend is intact in USDINR. We would be sellers on rise as the pair faces strong resistance between 69.10/20 region on spot. Maintain stop above 69.20 levels on spot for short positions on USDINR. Support is around 68.70/75, followed by 68.50 and 67.35/40 levels on spot.

In Rupee crosses, EURINR has bounced from a key support zone below 77.00 levels on spot. We would wait for the pair to rise towards 78.25/78.50 zone on spot to short again. On GBPINR, we would wait for the pair to bounce towards 87.00 to enter fresh shorts with stop above 87.50 on a closing basis. On JPYINR, we are bullish as long as above 63.00 on spot.

\*\*\* CHART ON NEXT PAGE \*\*\*



Source: TradingView

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