

## Currency Movement - Forex rates in USD

Currency	08/31/18	09/07/18	Wk-on-Wk % Change
Indian Rupee (INR)RBI ref rate	70.92	71.90	1.38
Euro (EUR)	1.16	1.16	-0.41
Japanese Yen (JPY)	111.09	111.03	-0.05
Brazilian Real (BRL)	4.05	4.06	0.23
Chinese Yuan (CNY)	6.83	6.84	0.19
Singapore Dollar (SGD)	1.37	1.38	0.47
Tanzanian Shilling (TZS)	2287.40	2284.20	-0.14
Thai Baht (THB)	32.77	32.84	0.20
Mozambique New Metical (MZN)	59.92	60.22	0.50
Vietnam Dong (VND)	23314.00	23303.00	-0.05
Indonesian Rupiah (IDR)	14761.00	14974.60	1.45
Benin CFA Franc BCEAO (XOF)	562.51	564.69	0.39
Ghanaian New Cedi (GHS)	4.75	4.72	-0.55

### Indian rupee is likely to stay highly volatile

Indian rupee last week touched the new record low of 72.11 against the dollar. Since the beginning of this year rupee has declined by close to 13.50 percent and especially in the last one month the fall was 4.5 percent. Rupee weakened on strengthening of dollar index, surging crude oil prices and widening of CAD. The RBI may hike the interest rates by 25-50 bps before the end of 2018. As India goes to polls in Nov/Dec in few crucial states in the run up to 2019 general election may add to near term economic uncertainty.



Indian rupee last week traded in the region of 70.69 and 72.11 and finally settled the week at 71.74 against the dollar on Sep-07-

2018. Support is seen in the region of 71.65 and 71.30 levels going forward. On the higher side 72.50 and 72.60-72.75 will act as near term resistance.

### Brazil real may stay weak ahead of next month elections

Brazil real little changed during last week. But next month presidential elections may hold the key to its economic growth. Already emerging market currencies in general are being hit by



escalating trade tensions which may threaten the global economic growth.

Brazil real last week was traded in the region of 4.1879 and 4.0358 and finally settled the week at 4.0594 as on Sep-05-2018. Support is seen in the region of 3.95 and 3.85 levels. As we rightly mentioned real made the high of 4.21 and then reversed sharply signaling room for near term turn around in trend and may test 3.95 and 3.85 before it confirms future direction of the trend.

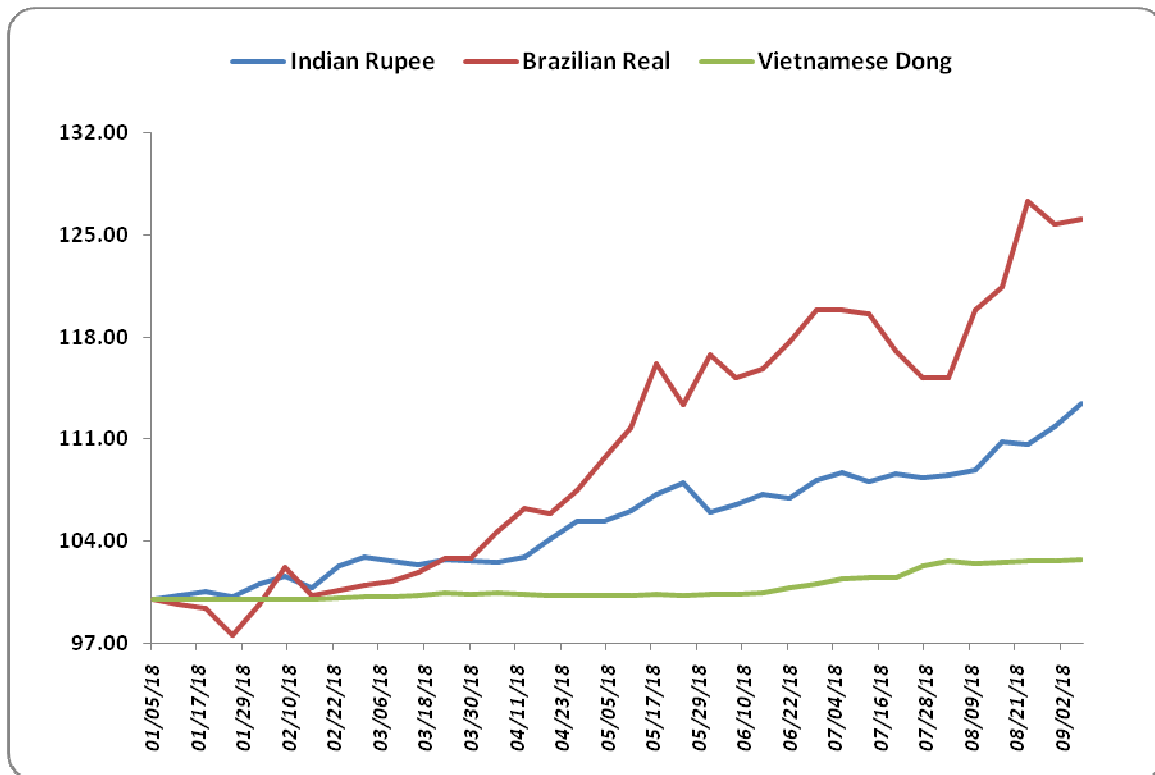
### Vietnam dong may test 23350-23400

The State Bank of Vietnam announced on its website that merchants, residents and related banks and institutions engaged in cross-border trade will be authorized to use the yuan, or the Vietnamese dong, to settle transactions starting on Oct. 12.

Vietnam dong last week traded in the region of 23,271.00 and 23,326.50 and finally settled the week at 23,303 against the dollar on Sep-07-2018. Dong may test 23350-23400 levels going forward.

### Comparative Movement of Currencies in 2018 (Jan-Sep)

Vis-à-vis USD in cashew processing regions (Weeks starting from January' 2018 and value indexed to 100)



**Disclaimer:** *The data and information presented in this report are based on efforts of analysts at Foretell Business Solutions Private Limited, Bangalore and opinions and data obtained from experts and various industry sources. While sufficient care has been taken to check data and information prior to publishing, Foretell or its employees or external contributors will not be responsible for any kind of errors or omissions or misrepresentation of data or for losses incurred by any party either directly or indirectly based on the information published herein.*