

Currency Impact

Table-5: Currency Movement - FOREX Rates

Currency	09-04-2020	09-11-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	73.34	73.47	0.18
Euro (EUR)	1.18	1.18	0.00
Japanese Yen (JPY)	106.23	106.17	-0.06
Brazilian Real (BRL)	5.30	5.32	0.38
Chinese Yuan (CNY)	6.84	6.83	-0.15
Singapore Dollar (SGD)	1.36	1.37	0.74
Tanzanian Shilling (TZS)	2320.00	2320.00	0.00
Thai Baht (THB)	31.39	31.28	-0.35
Mozambique New Metical (MZN)	70.90	71.65	1.06
Vietnam Dong (VND)	23178.00	23176.00	-0.01
Indonesian Rupiah (IDR)	14740.00	14890.00	1.02
West African Franc (XOF)	555.25	554.57	-0.12
Ghanaian New Cedi (GHS)	5.79	5.79	0.00

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	73.10	72.72	73.95	74.20
USDBRL	5.21	5.09	5.50	5.60
USDVND	23160	23140	23200	23250

Rupee may continue to trade range bound

- Indian rupee last week traded in the region of 73.02 and 73.94 and finally settled the week at 73.54 against the dollar.
- Technically rupee may test the lower support in the region of 72.42 and 72.10 against the dollar going forward as long as 74 is not violated on a weekly closing basis.
- Rupee has appreciated due to record flow of FPI inflows, which has created demand for rupee.
- The US unemployment claims were slightly higher than expected and it is neutral to negative bias for the dollar index.
- The RBI has hinted that it will allow the rupee to appreciate could help India to deal with imported inflation.

Brazil's real may trade range bound

- Brazil real last week traded in the region of 5.4090 and 5.2575 and finally settled the week at 5.3194 against the dollar index.
- Real has traded within our specified range during last week. Technically real may trade in the broader region of 5.15 and 5.50 levels in the coming weeks.

- If the recent economic upbeat mood continues for some more time than one can expect real to appreciate in the medium term and any upside in excess of 5.60 could invite selling pressure.

Steady to firm trend prevails in Vietnamese dong

- Vietnam dong last week traded in the region of 23187.5 and 23172.5 and settled the week at 23174 as on Sep-11. Dong may trade in the broader region of 23150 and 23250 going forward.
- Vietnam is set to lower its GDP growth target to 2-2.5 percent in 2020, aftermath of covid-19 pandemic which has led to global slowdown, thus hit country's exports, tourism and FDI.

Comparative Movement of Currencies Jan-03-2020 to 11-Sep-2020 Vis-à-vis USD in cashew processing regions (Weeks starting from 03rd Jan' 2020 and value indexed to 100)

