

Currency Impact

Table-6: Currency Movement - FOREX Rates

Currency	06-05-2020	06-12-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	75.47	75.97	0.66
Euro (EUR)	1.13	1.13	-0.41
Japanese Yen (JPY)	109.58	107.34	-2.09
Brazilian Real (BRL)	4.96	5.05	1.78
Chinese Yuan (CNY)	7.08	7.08	0.00
Singapore Dollar (SGD)	1.39	1.39	0.14
Tanzanian Shilling (TZS)	2315.00	2315.00	0.00
Thai Baht (THB)	31.50	30.98	-1.68
Mozambique New Metical (MZN)	68.85	69.00	0.22
Vietnam Dong (VND)	23255.00	23206.00	-0.21
Indonesian Rupiah (IDR)	13850.00	14050.00	1.42
Benin CFA Franc BCEAO (XOF)	577.02	576.45	-0.10
Ghanaian New Cedi (GHS)	5.77	5.79	0.26

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	74.50	74.00	76.30	76.70
USDBRL	4.85	4.70	5.35	5.50
USDVND	23200	23150	23300	23350

Indian rupee may remain under pressure

- Indian rupee last week traded in the region of 75.39 and 76.10 and finally settled the week at 75.84 against the dollar.
- Investor's sentiments continued to remain fragile due to ever-rising corona cases and gloomy global economic outlook.
- Rupee weakened a bit amid sell off in equities and some sort of recovery in USD.
- The Federal Reserve last week has kept the benchmark US interest rate at zero, saying it will remain there until and unless Covid is contained. Federal Open Markets Committee (FOMC) released their economic projections showing they expect the US economy to contract by 6.5 percent this year, with unemployment falling to 9.3 percent from the current 13.3 percent.

- Indian rupee may continue to remain under pressure and unlikely to trade below 75 anytime soon. Expect rupee to stay in the broader region of 75 and 76.50 against the dollar going forward.

Brazil real erases the recent gains

- Brazil real last week traded in the region of 4.8175 and 5.1118 and finally settled the week at 5.0518 against the dollar index.
- Brazil real once again slides after few weeks of strong recovery mainly due to profit booking as investors want to access the recovery aspects post Covid. This week Brazil's central bank is likely to cut the celic rates to record lows to boost the economy.

Vietnamese dong may remain firm

- Vietnam dong last week traded in the region of 23265 and 23186.5 and settled the week at 23207 as on Jun-12. Dong may trade in the broader region of 23150 and 23300 going forward.