

Currency Impact

Table-5: Currency Movement - FOREX Rates

Currency	09-11-2020	09-18-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	73.47	73.30	-0.23
Euro (EUR)	1.18	1.18	0.00
Japanese Yen (JPY)	106.17	104.55	-1.53
Brazilian Real (BRL)	5.32	5.39	1.32
Chinese Yuan (CNY)	6.83	6.77	-0.88
Singapore Dollar (SGD)	1.37	1.36	-0.73
Tanzanian Shilling (TZS)	2320.00	2320.00	0.00
Thai Baht (THB)	31.28	31.08	-0.64
Mozambique New Metical (MZN)	71.65	71.50	-0.21
Vietnam Dong (VND)	23176.00	23170.00	-0.03
Indonesian Rupiah (IDR)	14890.00	14730.00	-1.07
West African Franc (XOF)	554.57	553.25	-0.24
Ghanaian New Cedi (GHS)	5.79	5.78	-0.17

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 appreciate as long as 74 is not violated

- Indian rupee last week traded in the region of 73.78 and 73.14 and finally settled the week at 73.40 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.
- Indian rupee gained on the back of weakness in dollar index and on strong show by stock markets.
- The RBI for the time being may allow the rupee to appreciate to cool down imported inflation. Moreover, it has enough forex reserves to manage if the situation warrants buying dollar in the market.

Brazil's central bank has left interest rates unchanged for the first time since July 2019

- Brazil real last week traded in the region of 5.2105 and 5.3981 and finally settled the week at 5.3876 against the dollar index.
- Real has traded within our specified range during last week. Technically real may continue to trade in the broader region of 5.15 and 5.50 levels in the coming weeks.
- Brazil's central bank has left its key rates unchanged at two percent on Sep 16 after nine consecutive rate cuts starting from July 19.

- The central bank has said that there is little space left for more cuts to the Selic and that it won't reduce monetary stimulus unless inflation starts to heat up.

Steady to firm trend prevails in Vietnamese dong

- Vietnam dong last week traded in the region of 23185.5 and 23172.5 and settled the week at 23170 as on Sep-18. Dong may trade in the broader region of 23150 and 23250 going forward.

Comparative Movement of Currencies Jan-03-2020 to 18-Sep-2020

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

