

Currency Impact

Table-5: Currency Movement - FOREX Rates

Currency	08-14-2020	08-21-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	74.77	74.87	0.13
Euro (EUR)	1.18	1.18	0.00
Japanese Yen (JPY)	106.59	105.78	-0.76
Brazilian Real (BRL)	5.42	5.62	3.69
Chinese Yuan (CNY)	6.95	6.92	-0.43
Singapore Dollar (SGD)	1.37	1.37	0.00
Tanzanian Shilling (TZS)	2325.00	2320.00	-0.22
Thai Baht (THB)	31.13	31.54	1.32
Mozambique New Metical (MZN)	70.50	70.55	0.07
Vietnam Dong (VND)	23174.00	23175.00	0.00
Indonesian Rupiah (IDR)	14795.00	14770.00	-0.17
West African Franc (XOF)	556.00	554.00	-0.36
Ghanaian New Cedi (GHS)	5.75	5.78	0.52

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	74.55	74.10	75.30	75.55
USDBRL	5.45	5.25	5.70	5.85
USDVND	23150	23100	23250	23300

Rupee may trade volatile ahead of FY-21 Q1 GDP data

- Indian rupee last week traded in the region of 74.61 and 75.13 and finally settled the week at 74.89 against the dollar.
- Technically rupee is taking support around 74.45-74.55 levels since first week of July.
- Last week as we pointed out temporarily it has bounced back to 75.13 and then reversed to settle unchanged.
- Overall appreciating trend is intact and only a close above 75.50 in the weekly chart will alter the current appreciating trend.
- FY 21 Q1 GDP will be released during this week, which may induce volatility in rupee.
- Other global factors to watch out for are FOMC meeting minutes, US-China trade talks and on development in COVID-19 vaccine.

Brazil's real is likely to weaken further in the near term

- Brazil real last week traded in the region of 5.4086 and 5.6720 and finally settled the week at 5.6192 against the dollar index.
- Brazil real may face stiff resistance around 5.70 to 5.80 levels and only a weekly close on the above to signal further weakness. At the same time, support is in the region of 5.40 and 5.25.
- Brazil real weakened to three months' low during last week as its senate overturns presidential veto public sector pay, brings in economic uncertainty.

Vietnamese dong may continue to remain firm

- Vietnam dong last week traded in the region of 23187.50 and 23170 and settled the week at 23175 as on Aug-21. Dong may trade in the broader region of 23150 and 23250 going forward.

Comparative Movement of Currencies Jan-03-2020 to 21-Aug-2020

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

