

Currency Impact

Table-5: Currency Movement - FOREX Rates

| Currency | 10-16-2020 | 10-23-2020 | Wk-on-Wk % Change |
|---------------------------------|------------|------------|-------------------|
| Indian Rupee (INR) RBI ref rate | 73.38 | 73.58 | 0.27 |
| Euro (EUR) | 1.17 | 1.19 | 1.71 |
| Japanese Yen (JPY) | 105.40 | 104.72 | -0.65 |
| Brazilian Real (BRL) | 5.65 | 5.62 | -0.53 |
| Chinese Yuan (CNY) | 6.70 | 6.69 | -0.15 |
| Singapore Dollar (SGD) | 1.36 | 1.36 | 0.00 |
| Tanzanian Shilling (TZS) | 2320.00 | 2319.00 | -0.04 |
| Thai Baht (THB) | 31.20 | 31.34 | 0.45 |
| Mozambique New Metical (MZN) | 72.00 | 72.40 | 0.56 |
| Vietnam Dong (VND) | 23177.00 | 23177.00 | 0.00 |
| Indonesian Rupiah (IDR) | 14700.00 | 14660.00 | -0.27 |
| West African Franc (XOF) | 560.08 | 554.75 | -0.95 |
| Ghanaian New Cedi (GHS) | 5.82 | 5.82 | 0.00 |

| Symbol | Support S1 | S2 | Resistance (R1) | R2 |
|--------|------------|-------|-----------------|-------|
| USDINR | 73.30 | 72.75 | 74.10 | 74.50 |
| USDBRL | 5.45 | 5.30 | 5.70 | 5.76 |
| USDVND | 23160 | 23140 | 23200 | 23250 |

Rupee may remain in the recent range

- Indian rupee last week traded in the region of 73.27 and 73.80 and finally settled the week at 73.62 against the dollar.
- Technically rupee may trade in the region of 72.75 and 74.50 and violation of the same on either side will confirm further direction of the trend going forward.
- The RBI governor last week mentioned that the Indian economy is at the doorstep of the revival process from the covid-19 pandemic.
- Overall market may remain cautious ahead of US presidential elections, Brexit woes and delay in US economic aid package may aid US dollar in the near term.

Brazil real stays above 5.60 on weak consumer confidence

- Brazil real last week traded in the region of 5.6493 and 5.5460 and finally settled the week at 5.6175 against the dollar index.
- Real failed to hold on to the gains as its consumer confidence weakened for the first time in six months in October.

- Market participants expect a significant fall in Q4 GDP of Brazil due to Covid-19 and on drop in consumer confidence in the month of October.
- As far as 5.69 is not violated one can still expect real to appreciate going forward with supports in the region of 5.5 and 5.40.

Vietnam's GDP to slow down in the region of two and three percent in 2020

- Vietnam dong last week traded in the region of 23173 and 23185 and settled the week at 23177 as on Oct-23. Dong may trade in the broader region of 23150 and 23250 going forward.
- Vietnam's economic growth is expected to slow in the region of 2% and 3% this year after expanding 7.02% in 2019 due to the wider impact of the corona virus pandemic and natural disasters, Prime Minister Nguyen Xuan Phuc said last week.

Comparative Movement of Currencies Jan-03-2020 to 23-Oct-2020

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

