

Currency Impact

Table-6: Currency Movement - FOREX Rates

Currency	07-17-2020	07-24-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	75.10	74.87	-0.31
Euro (EUR)	1.14	1.16	1.75
Japanese Yen (JPY)	106.99	106.12	-0.81
Brazilian Real (BRL)	5.38	5.23	-2.79
Chinese Yuan (CNY)	6.99	7.01	0.29
Singapore Dollar (SGD)	1.39	1.38	-0.72
Tanzanian Shilling (TZS)	2320.00	2325.00	0.22
Thai Baht (THB)	31.67	31.60	-0.22
Mozambique New Metical (MZN)	69.90	70.44	0.77
Vietnam Dong (VND)	23191.00	23175.00	-0.07
Indonesian Rupiah (IDR)	14620.00	14540.00	-0.55
West African Franc (XOF)	572.75	566.72	-1.05
Ghanaian New Cedi (GHS)	5.74	5.79	0.87

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	74.20	73.65	75.00	75.50
USDBRL	5.15	5.05	5.45	5.60
USDVND	23150	23100	23250	23300

Indian rupee may continue to appreciate in the near term

- Indian rupee last week traded in the region of 75.03 and 74.50 and finally settled the week at 74.80 against the dollar.
- As we rightly pointed out rupee appreciated after having failed to cross the stiff resistance around 75.50 levels. Technically rupee may appreciate gradually towards 74.20 and then to 73.75 against the USD going forward.
- Rupee gained on weakness in dollar index and on good inflows in to the markets. However, rising Covid cases both in India and abroad as well as escalating tensions between US and China may have the potential to alter the current appreciating trend.

Brazil's real may trade range bound

- Brazil real last week traded in the region of 5.3888 and 5.0830 and finally settled the week at 5.2308 against the dollar index.

- Brazil real may face stiff resistance around 5.50 to 5.60 levels and only a weekly close on the above to signal further weakness. At the same time, support is in the region of 5.10 and 4.95.
- Brazil's real like previous week once again towards the end of week pared most of the weekly gains and settled lower.
- Brazil's Inflation in the month of July rose at its fastest pace in the last six months due to rising transport and fuel costs. However, the rise in inflation is slower than what the economists had anticipated.

Vietnamese dong may continue to remain firm

- Vietnam dong last week traded in the region of 23195.50 and 23173 and settled the week at 23180 as on Jul-24. Dong may trade in the broader region of 23150 and 23250 going forward.

Comparative Movement of Currencies Jan-03-2020 to 24-Jul-2020 Vis-à-vis USD in cashew processing regions (Weeks starting from 03rd Jan' 2020 and value indexed to 100)

