

Currency Impact

Table-5: Currency Movement - FOREX Rates

Currency	10-23-2020	10-30-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	73.58	73.97	0.53
Euro (EUR)	1.19	1.16	-2.52
Japanese Yen (JPY)	104.72	104.67	-0.05
Brazilian Real (BRL)	5.62	5.74	2.14
Chinese Yuan (CNY)	6.69	6.70	0.15
Singapore Dollar (SGD)	1.36	1.37	0.74
Tanzanian Shilling (TZS)	2319.00	2319.00	0.00
Thai Baht (THB)	31.34	31.15	-0.61
Mozambique New Metical (MZN)	72.40	72.75	0.48
Vietnam Dong (VND)	23177.00	23182.50	0.02
Indonesian Rupiah (IDR)	14660.00	14625.00	-0.24
West African Franc (XOF)	554.75	558.00	0.59
Ghanaian New Cedi (GHS)	5.82	5.83	0.17

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	74.00	73.60	75.10	75.50
USDBRL	5.70	5.60	5.90	5.96
USDVND	23160	23140	23200	23250

Rupee weakness set to continue

- Indian rupee last week traded in the region of 73.62 and 74.70 and finally settled the week at 74.54 against the dollar.
- Rupee settled well above key resistances may signal further upward bias going forward.
- Technically rupee may well move higher towards 75-75.50 levels in the near term. At the same time 73.50 will act as support.
- The rupee has weakened to its lowest level since August as rising Covid cases across the globe has resulted in dollar index gaining as safe haven asset.
- On the economic front India's services sector continued to recover and October month GST has crossed well above one trillion figures for the first time post Covid.
- Now all eyes on the outcome of the US presidential elections, which will be known in a couple of days.

Brazil real to weaken further on economic uncertainty and on rising Covid cases across the globe

- Brazil real last week traded in the region of 5.5985 and 5.8077 and finally settled the week at 5.7428 against the dollar index.

- Real settled well above the key resistances may signal further weakness going forward and expect real to rest 5.90-5.95 levels.
- On the lower side 5.60-5.65 will act as near term support and unlikely to breach that on a weekly closing basis.
- Brazil's central bank left its interest rates unchanged and pledged to keep rates low despite the recent rise in inflation fiscal risks.

Vietnam dong to stay firm

- Vietnam dong last week traded in the region of 23172.50 and 23186 and settled the week at 23180 as on Oct-30. Dong may trade in the broader region of 23150 and 23250 going forward.

Comparative Movement of Currencies Jan-03-2020 to 30-Oct-2020

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

