

Currency Impact

Table-5: Currency Movement - FOREX Rates

Currency	11-27-2020	12-04-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	73.80	73.74	-0.08
Euro (EUR)	1.20	1.21	0.83
Japanese Yen (JPY)	104.09	104.19	0.10
Brazilian Real (BRL)	5.34	5.16	-3.37
Chinese Yuan (CNY)	6.58	6.53	-0.76
Singapore Dollar (SGD)	1.34	1.34	0.00
Tanzanian Shilling (TZS)	2319.00	2319.00	0.00
Thai Baht (THB)	30.33	30.22	-0.36
Mozambique New Metical (MZN)	73.45	73.63	0.25
Vietnam Dong (VND)	23161.50	23131.00	-0.13
Indonesian Rupiah (IDR)	14090.00	14105.00	0.11
West African Franc (XOF)	549.75	539.50	-1.86
Ghanaian New Cedi (GHS)	5.84	5.86	0.34

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	73.60	73.30	74.50	74.75
USDBRL	5.20	5.10	5.50	5.70
USDVND	23140	23120	23185	23210

The RBI has revised Indian economic growth in FY 21 upwards to -7.5 percent

- Indian rupee last week traded in the region of 73.99 and 73.39 and finally settled the week at 73.70 against the dollar.
- Technically rupee may well move higher towards 74.45-74.60 levels in the near term. At the same time 73.30 will act as strong support.
- Sustained FII inflows, record high in equities, supported the Indian rupee.
- The RBI has kept the interest rates unchanged and revised the Indian GDP growth upwards to -7.5 percent for FY 2021 as against earlier estimate of -9.5 percent.
- The RBI governor has said that the central bank will continue to maintain accommodative policy stance to support growth and to keep inflation at targeted level.

Brazil real gains on rebound in Q3 GDP growth

- Brazil real last week traded in the region of 5.3955 and 5.1165 and finally settled the week at 5.1555 against the dollar index.
- Brazil real as we rightly mentioned closed below 5.15 may signal further appreciation going forward.

- Technically real may test the lower support of 5 to 4.80 against the dollar index going forward. As long as 5.50 is not violated, the appreciating trend of real to remain in tact.
- Brazil real gained smartly after the data showed that showed the country's economy grew at a record pace in the third quarter due to a strong rebound across most sectors post covid-19.
- Brazil's Q3 GDP rebounds to 7.7 percent, as per the figures released by the national statistics institute.

Vietnam dong is likely to appreciate further

- Vietnam dong last week traded in the region of 23178.50 and 23119.50 and settled the week at 23130 as on Dec-04. Dong may trade in the broader region of 23100 and 23210 going forward.

Comparative Movement of Currencies Jan-03-2020 to 04-Dec-2020

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

