

Currency Update

December 14, 2020

RECAP - DOMESTIC

Currency	Expiry	Previous	Open	High	Low	Close	Net Chng.	% Chng.	OI	% Chng.	Vol	% Chng.
USDINR	29-Dec-20	73.81	73.81	73.89	73.67	73.86	0.05	0.06%	3545342	1.83%	1760222	23.17%
EURINR		89.24	89.64	89.70	89.35	89.47	0.23	0.26%	206479	1.97%	217770	57.48%
GBPINR		98.19	98.28	98.32	97.34	97.43	-0.77	-0.78%	130594	-3.78%	465482	11.79%
JPYINR		70.65	70.85	70.98	70.81	70.95	0.30	0.42%	26670	-10.90%	38097	1.75%

Data Source: NSE

The Indian Rupee ended flat this Friday as persistent dollar purchases from RBI offset gains from foreign equity inflows into the domestic markets.

The Rupee ended at 73.65 to the dollar compared with 73.66 in the previous session. For the week the local unit appreciated by 0.2%.

Optimism surrounding the roll-out of vaccine and hopes of additional U.S stimulus aid has also helped the local unit.

The dollar index was trading with small gains this Friday afternoon and kept appreciation bias limited.

The one-year forward premium was at 3.16 rupees against 3.17 rupees in the previous session.

Industrial output in October rose 3.6% from an upwardly revised 0.5% expansion in the previous month, government data showed. The print sharply beat a median estimate of 1.1% annual expansion.

Manufacturing output rebounded to 3.5% in October from a 0.6% contraction in the previous month.

Meanwhile, India's foreign exchange reserves rose to a record high of \$579.35 billion for the week ended Dec. 4, from \$574.82 billion in the previous week, the Reserve Bank of India said.

The gain was mainly due to a rise in foreign currency assets that stood at \$537.39 billion, from \$533.46 billion in the prior week.

The benchmark BSE Sensex and the broader NSE index ended 0.30% and 0.26% higher, respectively on Friday.

The benchmark 5.77% bond maturing in 2030 ended at 98.64 rupees, yielding 5.96%, against 98.93 rupees, yielding 5.92% on Thursday.

Currency Update

December 14, 2020

FPI ACTIVITY

FPI bought net \$518.36 million as on 10 December 2020.

The data presented in the table constitutes trades conducted by FPIs/FIs upto the previous trading day.

For the month of December, FPI were net buyers of a total of \$3.742 billion.

Since the month of March 2020 FPI were net buyers of a total of \$8.633 billion.

Daily Trends in FPI Investments as on 10-Dec-2020				
Reporting Date	Debt/Equity	Investment Route	Net Investment (Rs Crore)	Net Investment US(\$) million
11-Dec-20	Equity	Stock Exchange	2739.92	371.93
		Primary market & others	773.20	104.96
		Sub-total	3513.12	476.89
	Debt	Stock Exchange	688.41	93.45
		Primary market & others	-382.80	-51.96
		Sub-total	305.61	41.49
	Debt-VRR	Stock Exchange	0.50	0.07
		Primary market & others	0.00	0.00
		Sub-total	0.50	0.07
	Hybrid	Stock Exchange	-0.63	-0.09
		Primary market & others	0.00	0.00
		Sub-total	-0.63	-0.09
		Total	3818.60	518.36

Data Source: NSDL

RECAP – INTERNATIONAL

Currency	Expiry	Previous	Open	High	Low	Close	Net Chng.	% Chng.
US Dollar Index		90.82	90.98	90.98	90.74	90.78	-0.04	-0.04%
EURUSD		1.2136	1.2135	1.2145	1.2133	1.2134	-0.0002	-0.02%
GBPUSD	Spot	1.3293	1.3368	1.3378	1.3316	1.3317	0.0024	0.18%
USDJPY		104.20	104.08	104.11	103.86	103.96	-0.24	-0.23%

Data Source: Investing.com

The Dollar Index ended marginally in the red on Friday, however, downside was capped on safe haven appeal as risk appetite waned due to concerns over delayed U.S. fiscal stimulus amid a surge in COVID-19 cases and the increasing likelihood that Britain will exit the European Union without a deal.

Currency Update

December 14, 2020

The Euro fell against the U.S. Dollar on Friday as ECB disappointed some investors looking for a larger stimulus boost.

The Sterling dropped lower on Friday as markets increasingly priced the risk of Britain breaking away from the European Union at the end of the month without a trade agreement.

Prime Minister Boris Johnson said that Britain was likely to complete its exit from the EU without a trade deal.

The Japanese Yen appreciated against the U.S. Dollar on Friday on safe haven appeal.

OUTLOOK – DOMESTIC & INTERNATIONAL CURRENCY

The Indian Rupee could start this Friday on a flat note against the U.S. Dollar.

Weakness of the U.S. Dollar, optimism surrounding vaccine roll-out, dollar inflows into local equities could keep depreciation bias limited. On the other hand, RBI's presence in the market could keep appreciation bias limited.

Markets will await CPI and WPI inflation data today.

The Rupee could likely open around 73.65-73.66 per dollar compared with 73.65 at close on Friday. The Rupee's trend for the day is range bound.

Meanwhile, NDF is at 73.73 this Monday morning vs a close of 73.7405 on Friday.

Technically, the USDINR Spot pair is holding a strong support near 73.50 levels from where a bounced back activity can be expected up to 73.83-73.95 levels. Below 73.50 could see a Bearish momentum up to 73.15-72.90 levels. The USDINR Spot pair is expected to trade in a range of 73.50-73.80 levels.

Pivot Points

Currency	Expiry	Close	S3	S2	S1	Pivot	R1	R2	R3
USDINR		73.86	73.50	73.59	73.72	73.80	73.94	74.02	74.16
EURINR	29-Dec-20	89.47	88.97	89.16	89.32	89.51	89.66	89.85	90.01
GBPINR		97.43	96.09	96.72	97.07	97.70	98.05	98.68	99.03
JPYINR		70.95	70.68	70.74	70.85	70.91	71.02	71.08	71.19

Data Source: NSE

Currency Update

December 14, 2020

Trend

Currency	Exchange	Daily	Weekly	Monthly	1 Week	1 Month	YTD	1 Year	3 Years
USD/INR Futures Continuous	NSE	Bearish	Bearish	Bullish	-0.24%	-1.01%	3.27%	4.17%	15.19%
EUR/INR Futures Continuous		Bullish	Bullish	Bullish	-0.21%	1.35%	11.35%	12.76%	17.99%
GBP/INR Futures Continuous		Bearish	Bullish	Bullish	-0.75%	-0.92%	3.38%	2.72%	13.22%
JPY/INR Futures Continuous		Sideways	Bullish	Bullish	-0.13%	-0.20%	7.61%	9.56%	23.97%

Data Source: Investing.com

US Dollar Index was trading weaker this Monday morning in Asian trade ahead of the Federal Reserve meeting this week.

The Euro was higher against the U.S. Dollar this Monday morning in Asian trade on broad Greenback weakness.

The Sterling pound rose against the dollar and the euro in relief after Britain and the European Union agreed to continue talks on post-Brexit trade beyond Sunday's deadline.

The Japanese Yen was flat against the U.S. Dollar this Monday morning.

Pivot Points

Currency	Expiry	Close	S3	S2	S1	Pivot	R1	R2	R3
DXY	SPOT	90.78	90.45	90.59	90.69	90.83	90.93	91.07	91.17
EURO		1.2134	1.2118	1.2125	1.2130	1.2137	1.2142	1.2149	1.2154
Sterling		1.3317	1.3234	1.3275	1.3296	1.3337	1.3358	1.3399	1.3420
Yen		103.96	103.59	103.73	103.84	103.98	104.09	104.23	104.34

Data Source: Investing.com

Trend

Currency	Exchange	Daily	Weekly	Monthly	1 Week	1 Month	YTD	1 Year	3 Years
US Dollar Index	Spot	Bearish	Bearish	Bearish	0.10%	-2.02%	-5.72%	-6.47%	-3.25%
EUR/USD		Bullish	Bullish	Bullish	0.12%	2.45%	8.12%	9.00%	3.13%
GBP/USD		Sideways	Bullish	Bullish	-0.52%	0.92%	0.36%	-0.14%	-0.11%
USD/JPY		Bearish	Bearish	Bearish	-0.06%	-0.59%	-4.25%	-4.92%	-7.62%

Data Source: Investing.com

ECONOMIC CALENDAR

Date	Time (IST)	Country	Relevance	Indicator Name	Period	Reuters Poll	Prior
14 Dec 2020	12:00	India	High	WPI Inflation YY	Nov	1.62%	1.48%
	17:30			CPI Inflation YY		7.10%	7.61%

Data Source: Investing.com

Currency Update

December 14, 2020

General Disclaimers

As part of regulatory requirement you are required to update your following KYC details with us:
Correspondence Address | Mobile Number | Email Id | Annual Income

To update above details login to your online trading account or send Email/Letter along with the Pan Card copy or visit any of our branches. Kindly quote your client code and PAN while sending the aforesaid KYC update.

General Disclaimers: This document is meant for the customers of Reliance Securities Limited only. In case you are a non-resident, please note that you need to comply with the relevant local laws of the country of your residence, before investing. Mutual Funds and securities investments are subject to market risks, and there is no assurance or guarantee that the objectives of the Scheme will be achieved. As with any investment in securities, the Net Asset Value (NAV) of the Units issued by Mutual Fund Schemes can go up or down depending on the factors and forces affecting the securities market. There are no assurances or guarantees that the objectives of any of the mutual fund schemes will be achieved. The investments may not be suited to all categories of investors. Please read the Scheme Information Document and Statement of Additional Information of the respective mutual fund carefully before investing.

The views herein constitute only the opinions and do not constitute any guidelines or recommendation on any course of action to be followed by the readers. This information is meant for general reading purpose only and is not meant to serve as a professional investment guide for the readers. This document has been prepared on the basis of publicly available information, internally developed data and other sources believed to be reliable. Reliance Securities Limited (RSL) or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information.

Due care has been taken to ensure that the disclosures and opinions given fair and reasonable. No action has been solicited based upon the information provided herein, and the information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Readers are advised to seek independent professional advice and arrive at an informed investment decision before making any investments.

None of the directors, employees, affiliates or representatives of RSL shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way whatsoever from the information contained in this material. RSL, the directors, employees, affiliates or representatives of RSL, associate companies, affiliates, and representatives including persons involved in the preparation or issuance of this material may from time to time, have long or short positions in, and buy or sell the securities thereof, of company(ies) / specific economic sectors / mutual funds, if mentioned herein.

Risks: Trading and investment in securities are subject market risks. There are no assurances or guarantees that the objectives of any of trading / investment in securities will be achieved. The trades/ investments referred to herein may not be suitable to all categories of traders/investors. The names of securities mentioned herein do not in any manner indicate their prospects or returns. The value securities referred to herein may be adversely affected by the performance or otherwise of the respective issuer companies, changes in the market conditions, micro and macro factors and forces affecting capital markets like interest rate risk, credit risk, liquidity risk and reinvestment risk. Derivative products may also be affected by various risks including but not limited to counter party risk, market risk, valuation risk, liquidity risk and other risks. Besides the price of the underlying asset, volatility, tenor and interest rates may affect the pricing of derivatives.

Disclaimers in respect of jurisdiction: The possession, circulation and/or distribution of this Report may be restricted or regulated in certain jurisdictions by appropriate laws. No action has been or will be taken by RSL in any jurisdiction (other than India), where any action for such purpose(s) is required. Accordingly, this Report shall not be possessed, circulated and/or distributed in any such country or jurisdiction unless such action is in compliance with all applicable laws and regulations of such country or jurisdiction. RSL requires such recipient to inform himself about and to observe any restrictions at his own expense, without any liability to RSL. Any dispute arising out of this Report shall be subject to the exclusive jurisdiction of the Courts in India.

Disclosure of Interest: The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the securities and their respective issuers. Neither RSL nor the research analysts did have any known direct /indirect conflict of interest including any long/short position(s) in any specific security on which views/opinions have been made, during the preparation of this Report.

Copyright: The copyright in this Report belongs exclusively to RSL. This Report shall only be read by those persons to whom it has been delivered. No reprinting, reproduction, copying, distribution of this Report in any manner whatsoever, in whole or in part, is permitted without the prior express written consent of RSL.

Important these disclaimers, risks and other disclosures must be read in conjunction with the information / opinions / views of which they form part of.

ISO 9001:2008: Reliance Securities Limited holds a certificate issued by BSI Management System India Pvt. Ltd to the effect that it operates a Quality Management System that complies with the requirements of ISO 9001:2008 for providing equity & equity derivative trading services through online trading system. Investment in securities market is subject to market risk. Please read the risk disclosure document before investing. Reliance Securities is a distributor for MF, IPO, Bonds, NCDs and Corporate FDs.

Registered Office: Reliance Securities Limited, 11th Floor, R Tech IT Park, Western Express Highway, Goregaon East, Mumbai - 400063, Nirlon Compound, Near Hub Mall, Behind Oracle Building, CIN: U65990MH2005PLC154052. (SEBI registration No. INH00002384; NSE - INB / INF / INE 231234833; BSE - INB / INF / INE 011234839; AMFI ARN No.29889; CDSL - IN-DP-CDSL-357-2006; NSDL -IN-DP-NSDL-363-2013)