

# Currency Update

January 07, 2021

## RECAP - DOMESTIC

Currency	Expiry	Previous	Open	High	Low	Close	Net Chng.	% Chng.	OI	% Chng.	Vol	% Chng.
USDINR	27-Jan-21	73.39	73.39	73.39	73.22	73.24	-0.15	-0.20%	2791697	1.20%	1479989	-10.15%
EURINR		90.10	89.96	90.40	89.96	90.33	0.23	0.26%	260077	1.76%	222520	30.17%
GBPINR		99.76	99.76	100.03	99.68	99.98	0.21	0.22%	178790	11.18%	396824	-14.79%
JPYINR		71.32	71.32	71.38	71.16	71.18	-0.14	-0.19%	35356	-3.44%	37194	-26.28%

Data Source: NSE

The Indian Rupee appreciated against the Dollar as regional currencies strengthened against the Dollar on increasing probability that the Democratic Party will take control of the U.S. Senate.

The Rupee ended at 73.10 compared with 73.18 in the previous session. Intraday low was 73.19 for the session.

The one-year forward premium was at 3.32 rupees, against 3.30 rupees in the previous session.

The benchmark BSE Sensex and the broader NSE index fell for the first time in 11 sessions and closed 0.54% and 0.38% lower, respectively on Wednesday.

The benchmark 5.77% bond maturing in 2030 ended at 99.08 rupees, yielding 5.90%, against 99.40 rupees and 5.85% yield at the previous close.

## FPI ACTIVITY

FPI bought net \$27.10 million as on 05 January 2021. For the month of January, FPI were net buyers of a total of \$719.88 million.

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

Daily Trends in FPI Investments as on 05-Jan-2021				
Reporting Date	Debt/Equity	Investment Route	Net Investment (Rs Crore)	Net Investment US(\$) million
06-Jan-21	Equity	Stock Exchange	1344.11	183.85
		Primary market & others	-1537.36	-210.28
		Sub-total	-193.25	-26.43
	Debt	Stock Exchange	299.87	41.02
		Primary market & others	-111.10	-15.20
		Sub-total	188.77	25.82
	Debt-VRR	Stock Exchange	245.99	33.65

# Currency Update

January 07, 2021

Hybrid	Primary market & others	-41.31	-5.65
	Sub-total	204.68	28.00
	Stock Exchange	-2.13	-0.29
	Primary market & others	-	-
	Sub-total	-2.13	-0.29
	Total	198.07	27.10
			Data Source: NSDL

## RECAP – INTERNATIONAL

Currency	Expiry	Previous	Open	High	Low	Close	Net Chng.	% Chng.
US Dollar Index		89.44	89.48	89.80	89.21	89.53	0.09	0.10%
EURUSD	Spot	1.2294	1.2296	1.2350	1.2265	1.2325	0.0031	0.25%
GBPUSD		1.3624	1.3626	1.3672	1.3539	1.3607	-0.0017	-0.12%
USDJPY		102.72	102.75	103.45	102.58	103.04	0.32	0.31%

Data Source: Investing.com

The U.S. dollar recouped from the lows of the session despite Democrats win in the U.S. Senate election in Georgia that would clear the path for a larger fiscal stimulus package.

Fuelling expectations of further stimulus measures was a weak report on the labour market in the form of the ADP National Employment Report, which showed private payrolls post their first decline in eight months as coronavirus cases surge.

However, a reading on factory orders for November exceeded expectations and indicated a sustained manufacturing recovery.

Meanwhile, the Federal Reserve was nearly unanimous in its decision last month to leave its bond-buying program unchanged, but left a wide berth for officials to decide in the future if and when changes should be made, according to minutes of the U.S. central bank's December policy meeting.

The Euro and the Sterling ended higher against the U.S. Dollar on Thursday.

The Japanese Yen weakened against the U.S. Dollar on Thursday.

## OUTLOOK – DOMESTIC & INTERNATIONAL CURRENCY

The Indian Rupee could start this Thursday on a flat note against the Greenback.

# Currency Update

January 07, 2021

FPI flows into the domestic equity markets could cap losses. However, weak U.S. Dollar could continue to lend support.

Most Asian currencies were weak against the Greenback this Thursday morning and could weigh on sentiments.

The Rupee could likely open around 73.10-73.12 per dollar compared with 73.10 at close on Wednesday.

Meanwhile, NDF is at 73.10 this Thursday morning vs a close of 73.10 on Wednesday.

Technically, the USDINR Spot pair resisted near 73.25-73.30 levels and holds a strong support of 72.80 levels indicating a sideways momentum in these ranges to continue in the coming session.

The USDINR Spot pair could trade in a range of 72.90-73.30 levels in the coming session.

## Pivot Points

Currency	Expiry	Close	S3	S2	S1	Pivot	R1	R2	R3
USDINR		73.24	73.01	73.12	73.18	73.28	73.35	73.45	73.51
EURINR		90.33	89.63	89.80	90.06	90.23	90.50	90.67	90.93
GBPINR	27-Jan-21	99.98	99.41	99.55	99.76	99.89	100.11	100.24	100.46
JPYINR		71.18	70.88	71.02	71.10	71.24	71.32	71.46	71.54

Data Source: NSE

## Trend

Currency	Exchange	Daily	Weekly	Monthly	1 Week	1 Month	YTD	1 Year	3 Years
USD/INR Futures Continuous		Bearish	Bearish	Sideways	-0.03%	-0.66%	-0.03%	1.93%	15.17%
EUR/INR Futures Continuous		Bullish	Bullish	Bullish	0.44%	1.13%	0.44%	12.85%	18.25%
GBP/INR Futures Continuous		Bullish	Bullish	Bullish	0.04%	1.64%	0.04%	6.02%	16.01%
JPY/INR Futures Continuous		Bullish	Bullish	Bullish	0.19%	0.46%	0.19%	7.56%	26.43%

Data Source: Investing.com

US Dollar Index has started flat to marginally lower this Thursday morning in Asian trade after Democrats won control of the U.S. Senate, clearing the way for a larger fiscal stimulus under President-elect Joe Biden.

Apart from the elections, U.S. will release the factory data which could have an impact on the Greenback.

# Currency Update

January 07, 2021

The Euro and the Sterling were flat against the U.S. Dollar this Wednesday morning in Asian trade.

The Japanese Yen was flat to marginally weak against the against the U.S. Dollar this Wednesday morning.

## Pivot Points

Currency	Expiry	Close	S3	S2	S1	Pivot	R1	R2	R3
DXY		89.53	88.64	88.92	89.23	89.51	89.82	90.10	90.41
EURO	SPOT	1.2325	1.2192	1.2228	1.2277	1.2313	1.2362	1.2398	1.2447
Sterling		1.3607	1.3407	1.3473	1.3540	1.3606	1.3673	1.3739	1.3806
Yen		103.04	101.73	102.15	102.60	103.02	103.47	103.89	104.34

Data Source: Investing.com

## Trend

Currency	Exchange	Daily	Weekly	Monthly	1 Week	1 Month	YTD	1 Year	3 Years
US Dollar Index		Bearish	Bearish	Bearish	-0.64%	-1.76%	-0.64%	-8.16%	-3.25%
EUR/USD	Spot	Bullish	Bullish	Bullish	0.97%	1.91%	0.97%	11.05%	3.05%
GBP/USD		Bullish	Bullish	Bullish	-0.37%	2.01%	-0.37%	4.01%	0.40%
USD/JPY		Bearish	Bearish	Bearish	-0.17%	-1.08%	-0.17%	-5.60%	-8.90%

Data Source: Investing.com

## ECONOMIC CALENDAR

Date	Local Time	Country	Relevance	Indicator Name	Period	Poll	Prior	
7 Jan 2021	12:30	Germany	High	Industrial Orders MM	Nov	-1.2%	2.9%	
	15:30	Euro Zone		HICP Flash YY	Dec	-0.2%	-0.3%	
	15:30			Consumer Confidence Final	Dec	-13.9	-13.9	
	19:00			International Trade \$	Nov	-65.2B	-63.1B	
	19:00	United States		Initial Jobless Claims	2 Jan, w/e	800k	787k	
	20:30			ISM N-Mfg PMI	Dec	54.6	55.9	

Source: investing.com

# Currency Update

January 07, 2021

## 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. INH000002384; 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)