

Fundamental View

- Indian rupee recovered moderately, aided by reports of central bank intervention. Initially, emerging market currencies were hit hard as US ten year sovereign bond yields spiked to 3%. Concerns of further tapering by US Federal Reserve have reignited buying interest in safe haven currencies like the greenback. Effectively, Euro has lost ground, retracing well below 1.36 levels. FOMC minutes this week will throw some light on what the apex bank intend to do in respect with the size of the monetary stimulus. Markets are forming an opinion that improving economic landscape in US may persuade the Fed to further narrow the bond buying programme in the months ahead.
- On domestic front, markets await wholesale price inflation data, which is scheduled to be released during next week. The health of this indicator will determine the probability of Reserve Bank of India hiking interest rates at its monetary policy meeting on January 28th. Previously, RBI has expressed that tackling inflation remains a top priority. On price front, Rupee is expected to persist with the price range of 61.2 -62.8 for the next few weeks.

MCX-SX

Forex	High	Low	Close	% Chg	OI
USD Jan	62.9050	62.5150	62.5500	-0.10	2,54,306
USD Feb	63.3050	62.9200	62.9575	-0.12	54,881
EUR Jan	85.9025	85.2975	85.3525	-0.43	17,191
EUR Feb	86.4000	85.8500	85.9075	-0.43	1,079
JPY Jan	60.3625	59.8750	59.9000	0.84	4,178
JPY Feb	60.6300	60.2475	60.2600	0.80	114
GBP Jan	103.6500	102.9100	102.9800	-0.55	16,179
GBP Feb	103.9875	103.5600	103.5900	-0.58	1,211

NSE FX

Forex	High	Low	Close	% Chg	OI
USD Jan	62.9075	62.5150	62.5475	-0.11	5,07,157
USD Feb	63.2950	62.9175	62.9500	-0.08	1,04,257
EUR Jan	85.9000	85.3100	85.3575	-0.43	82,857
EUR Feb	86.4000	85.8600	85.8900	-0.41	3,285
JPY Jan	60.3650	59.5900	59.9050	0.84	9,290
JPY Feb	60.6450	60.2250	60.2750	0.90	1,593
GBP Jan	94.2100	102.9125	103.0000	-0.54	35,592
GBP Feb	104.0125	103.5500	103.6050	-0.59	3,589

Spot Rates

Forex	High	Low	Close	% Chg
EUR-USD	1.3673	1.3583	1.3589	-0.61
GBP-USD	1.6474	1.6395	1.6418	-0.21
USD-JPY	98.4600	97.7600	104.8600	0.05
DOLLAR INDEX	82.1860	81.4070	80.7910	0.20

RBI Reference rates

Forex	Rate(INR)	Pr Close	% Chg
USD-INR	62.4075	62.4075	0.82
EUR-INR	85.1950	85.1950	0.05
GBP-INR	102.5355	102.5355	-0.20
JPY-INR	59.9000	59.9000	1.89

Equity Indices

	Open	Close	% Chg
Sensex	20,820	20,851	-0.18
Nifty	6,195	6,211	-0.16
Dow Jones	16,457	16,470	0.17
FTSE	6,718	6,731	0.19

Benchmark Rates

	Close
MIBOR (%)	7.76
LIBOR (%)	0.24
Call rates (%)	8.02
Forex reserves (US\$bn)	2,95,709

Technical View

USD-INR Spot

Prices have support at 61 and resistance at 63

EUR-USD: Prices have support at 1.3623 and resistance at 1.3835.

US Dollar Index: Prices have support at 79.70 and resistance level at 81.05.

INR Currency Future view

EUR-INR: Prices have support at 84.1 and resistance at 86.20.

GBP-INR: Prices have support at 101.5 and resistance at 103.

JPY-INR: Prices have support at 58.9 and resistance at 60.70.

USD/INR



EUR/INR



Pivot table

Forex	NSE Levels						
	R3	R2	R1	Pivot	S1	S2	S3
USD-INR	62.9750	62.9400	62.5850	62.5500	62.1950	62.1600	61.8050
EUR-INR	86.0125	85.9575	85.4075	85.3525	84.8025	84.7475	84.1975
JPY-INR	60.4125	60.3875	59.9250	59.9000	59.4375	59.4125	58.9500
GBP-INR	103.7900	103.7200	103.0500	102.9800	102.3100	102.2400	101.5700
EUR-USD	1.3685	1.3679	1.3595	1.3589	1.3505	1.3499	1.3415
GBP-USD	1.6520	1.6497	1.6441	1.6418	1.6362	1.6339	1.6283
USD-JPY	112.6600	105.5600	111.9600	104.8600	111.2600	104.1600	110.5600

Important data to watch

Date	Country / Currency	Economic Indicator	IST	Actual	Cons.	Previous
06 Jan	EUR	Sentix Investor Confidence	15:00		9.7	8.0
	US	Factory Orders m/m	20:30		1.8%	-0.9%

Note:

Ideas given under the 'Currency' section are for intraday purpose or up to a period of three trading sessions. Recommendations under this heading are not necessarily part of our fundamental buy or sell list.

IIFL Research won 3 awards at India's Best Market Analyst Awards 2013 by Zee Business for Banking, Oil & Gas and Pharma.

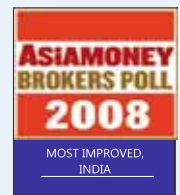
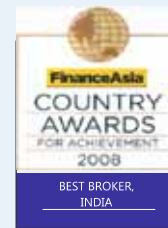
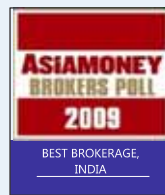
'Best Equity Broker of the Year' – Bloomberg UTV, 2011

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Other awards



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