

SPOT CURRENCYWATCH

Spot rate	High	Low	Close	Prevailing*	Pre. Close
USD/INR*	45.29	44.97	45.22	-	45.21
USD/JPY	77.22	76.51	76.8	76.65	77.19
EUR/USD	1.4241	1.412	1.4162	1.4221	1.4392
GBP/USD	1.6187	1.6109	1.6125	1.617	1.6328
US \$ Index	74.911	74.47	74.913	74.551	74.025

*Prevailing prices taken at the time of making the report

USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	Pre. Close	Volume*
Aug'11	45.2150	45.3000	5,936,685
Sep'11	45.3200	45.4475	831,801
Oct'11	45.4375	45.6025	109,361

*In Lots

MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	Pre. Close	Volume*
EUR/INR	Aug'11	64.8975	64.5575	237,644
GBP/INR	Aug'11	73.5175	74.0675	57,859
JPY/INR	Aug'11	59.0450	58.7400	39,496

*In Lots

MAJOR WORLD INDICES

Indices	Close	Chg	Pre. Close
S&P 500	1,120.76	-51.77	1,172.53
NIKKEI 225	9038.74	94.26	8944.48
SHANGHAI COMPOSITE	2549.18	23.11	2526.07
FTSE	5007.16	-157.76	5164.92
CNX S&P NIFTY	5161	88.15	5072.85

FII ACTIVITY (Rs. million)

Date	Purchase	Sale	Net
8/10/2011	34073	57104	-23031
8/9/2011	27199	39768	-12569
8/8/2011	30767	51391	-20624
8/5/2011	27689	34489	-6800

USDINR NDF Outright

Months	Close	Pre. Close
1 Mn	45.37	45.1
6 Mn	45.68	45.96
12Mn	46.5	46.625

NDF - Non Deliverable Forward

COMMENTARY

The euro fell to fresh five-month lows against the yen in Asia this morning and looked set to stay under pressure as worries about the euro zone sovereign debt crisis spread to the region's banking sector.

The currency market had a tougher time looking for a safe harbour after the Swiss National Bank took fresh steps to bring down a soaring franc and recent intervention to weaken the yen by Japan remained fresh in investors' mind.

German Bund futures rose almost two full points to their highest levels since September 2010 on Wednesday on the back of escalating concerns that the euro zone debt crisis would continue to spread.

Sterling took a beating when the Bank of England downgraded economic growth forecasts in its quarterly inflation report.

RBI REFERENCE RATES

	Rate	Pre. Close
USD/INR	45.2058	45.1745
EUR/INR	64.7633	64.2588
GBP/INR	73.5092	73.7157
JPY/INR	58.85	58.42

DAILY VOLATILITY

	Close	Pre. Close
USD/INR	0.3464	0.3606
EUR/INR	0.8246	0.8246

COMMODITIES

	Close	Pre. Close
GOLD	26204	25731
COPPER	391.7	397.65
CRUDE	3707	3663

MCX-SX SPREAD SHEET

Contract	Sep'11	Oct'11	Nov'11
Aug'11	0.105	0.2225	0.36
Sep'11	0	0.1175	0.3
Oct'11	0	0	0.1825

USDINR Onshore Forward Premiums

Months	Close	Pre. Close
1 Mn	2.75	14.75
3 Mn	23	46.5
12Mn	123	156.5



DEBT MARKETWATCH

Period	Rate	Pre. Close
Call money rate	8	8
Mibor rate	8.03	8.04
14 day Mibor	8.23	8.28
3 month Mibor	9.03	9.14
5 year G-sec	8.215	8.246
10 year G-sec	8.192	8.227
Repo Amount	404.65 (Rs. Billion)	404.65 (Rs. Billion)
Reverse Repo amount	7.15 (Rs. Billion)	7.15 (Rs. Billion)
US 5-yr Benchmark	0.9388	1.0011
US 10-yr Benchmark	2.1792	2.297
1 month LIBOR	0.20711	0.208
3 month LIBOR	0.28061	0.27839

COMMENTARY

The Indian rupee see-sawed on Wednesday tracking forward premiums that crashed in early trades as demand for spot dollars surged.

The partially convertible rupee ended at 45.2450 per dollar, 0.1 percent weaker from 45.205/215 on Tuesday, after trading in a range of 44.9500-45.2900.

Indian shares gained 1.6 percent in heavy volume trade, snapping a six-session fall, on short covering as global markets recovered after the U.S. Federal Reserve pledged to maintain near-zero interest rates for at least two more years.

The Indian rupee could weaken for an eighth consecutive session this morning as dollar demand from oil companies is expected to stay strong and foreign fund outflow fears mount due to worsening debt crisis in Europe. The likely range for rupee to trade in spot is 45.30 to 45.45.

IMPORTANT ECONOMIC INDICATORS

Indicator	Time	Region	Period	Expected	Prior
German WPI m/m	11:30am	EUR	Monthly	-0.30%	-0.60%
ECB Monthly Bulletin	1:30pm	EUR	Monthly	~	~
CB Leading Index m/m	2:30pm	GBP	Monthly	~	0.60%
Trade Balance	6:00pm	USD	Monthly	-47.9B	-50.2B
Unemployment Claims	6:00pm	USD	Weekly	401K	400K

STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USD/INR	Aug'11	BUY	45.32	45.45	45.51	45.20
JPY/INR	Aug'11	BUY	59.1	59.3	59.4	58.95

PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USD/INR Spot	44.84	45.03	45.16	45.35	45.48
USD/INR Aug'11	44.92	45.07	45.18	45.32	45.43
EUR/INR Aug'11	64.39	64.64	64.83	65.08	65.27
GBP/INR Aug'11	72.69	73.10	73.51	73.93	74.34
JPY/INR Aug'11	58.31	58.68	58.91	59.28	59.51

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