

## SPOT CURRENCYWATCH

Spot rate	High	Low	Close	Prevailing*	Pre. Close
USD/INR*	45.4525	45.205	45.405	-	45.22
USD/JPY	77.02	76.79	76.84	76.88	76.8
EUR/USD	1.4241	1.4175	1.4239	1.4193	1.4162
GBP/USD	1.6242	1.6204	1.6239	1.621	1.6125
US \$ Index	74.796	74.654	74.659	74.733	74.913

\*Prevailing prices taken at the time of making the report

## USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	Pre. Close	Volume*
Aug'11	45.3700	45.2150	5,294,630
Sep'11	45.4575	45.3200	426,949
Oct'11	45.5825	45.4375	45,546

\*In Lots

## MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	Pre. Close	Volume*
EUR/INR	Aug'11	64.4325	64.8975	325,777
GBP/INR	Aug'11	73.3525	73.5175	46,038
JPY/INR	Aug'11	59.1800	59.0450	47,571

\*In Lots

## MAJOR WORLD INDICES

Indices	Close	Chg	Pre. Close
S&P 500	1,172.64	51.88	1,120.76
NIKKEI 225	8981.94	-56.8	9038.74
SHANGHAI COMPOSITE	2581.51	32.33	2549.18
FTSE	5162.83	155.67	5007.16
CNX S&P NIFTY	5138.3	-22.7	5161

## FII ACTIVITY (Rs. million)

Date	Purchase	Sale	Net
8/11/2011	56680	39697	16983
8/10/2011	34073	57104	-23031
8/9/2011	27199	39768	-12569
8/8/2011	30767	51391	-20624

## USDINR NDF Outright

Months	Close	Pre. Close
1 Mn	45.44	45.37
6 Mn	45.92	45.69
12Mn	46.360001	46.5

NDF - Non Deliverable Forward

## COMMENTARY

The dollar and euro posted their best days ever against the Swiss franc on Thursday, jumping as much as 6 percent after falling to record lows this week, as the Swiss National Bank said it could peg the franc to the euro to rein in a soaring currency.

Sterling recouped losses, pulling away from near three-week lows against the dollar on Thursday, helped by rebounding stocks, although a murky outlook for the UK economy and speculation of more monetary easing checked sharp gains.

European shares extended gains in late trade on Thursday, with the market getting support from a rebound in U.S. shares after a forecast-beating jobs report.

Bund futures hit a new session low on Thursday in volatile trading as some investors took news that German and French leaders would meet next week as positive for risk appetite. The euro reversed early gains against the dollar on Thursday as a sharp fall in European banking stocks stoked concerns the region's sovereign debt crisis is spreading to its financial sector.

## RBI REFERENCE RATES

	Rate	Pre. Close
USD/INR	45.2713	45.2058
EUR/INR	64.5821	64.7633
GBP/INR	73.335	73.5092
JPY/INR	59.11	58.85

## DAILY VOLATILITY

	Close	Pre. Close
USD/INR	0.3317	0.3464
EUR/INR	0.8	0.8246

## COMMODITIES

	Close	Pre. Close
GOLD	25673	26204
COPPER	401.3	391.7
CRUDE	3793	3707

## MCX-SX SPREAD SHEET

Contract	Sep'11	Oct'11	Nov'11
Aug'11	0.0875	0.2125	0.3
Sep'11	0	0.125	0.2775
Oct'11	0	0	0.1525

## USDINR Onshore Forward Premiums

Months	Close	Pre. Close
1 Mn	3.5	2.75
3 Mn	21.25	23
12Mn	111.5	123



## DEBT MARKETWATCH

Period	Rate	Pre. Close
Call money rate	7.75	8
Mibor rate	8.05	8.03
14 day Mibor	8.27	8.23
3 month Mibor	9.03	9.03
5 year G-sec	8.21	8.215
10 year G-sec	8.207	8.192
Repo Amount	386.25 (Rs. Billion)	543.15 (Rs. Billion)
Reverse Repo amount	6.10 (Rs. Billion)	4.85 (Rs. Billion)
US 5-yr Benchmark	0.9767	0.9388
US 10-yr Benchmark	2.2831	2.1792
1 month LIBOR	0.20722	0.20711
3 month LIBOR	0.28617	0.28061

## COMMENTARY

The Indian rupee weakened on Thursday, dragged by the euro's losses against the dollar and negative local shares, with dollar demand from oil importers also weighing on the sentiment.

The partially convertible rupee ended at 45.4050/4150 per dollar, 0.4 percent weaker than its 45.2450 close on Wednesday. It traded in a 45.2050-45.4500 band intraday.

Indian shares fell 0.4 percent after choppy trading on Thursday after data showed food inflation accelerated in end-July, triggering expectations the central bank may continue with its tightening cycle despite global economic uncertainty.

The one-month onshore forward premium was at 3.50 points after falling to negative 2.75 points early -- its lowest in 34 months. It had closed at 2.75 points on Wednesday.

The Indian rupee is seen rising this morning, boosted by gains in Asian equities and the euro, after the Indian unit ended weak for eight consecutive sessions. The likely range for rupee to trade in spot is 45.25-45.

## IMPORTANT ECONOMIC INDICATORS

Indicator	Time	Region	Period	Expected	Prior
Revised Industrial Production m/m	Up Next 10:00am	JPY	Monthly	3.90%	3.90%
French Prelim GDP q/q	11:00am	EUR	Quarterly	0.30%	0.90%
French CPI m/m	11:00am	EUR	Monthly	-0.20%	0.10%
French Prelim Non-Farm Payrolls q/q	12:15pm	EUR	Quarterly	0.20%	0.40%
Italian Trade Balance	1:30pm	EUR	Monthly	-2.50B	-2.41B
Industrial Production m/m	2:30pm	EUR	Monthly	0.10%	0.10%
Core Retail Sales m/m	6:00pm	USD	Monthly	0.20%	0.00%
Retail Sales m/m	6:00pm	USD	Monthly	0.40%	0.10%
Prelim UoM Consumer Sentiment	7:25pm	USD	Monthly	63.20	63.70
Prelim UoM Inflation Expectations	7:25pm	USD	Monthly	~	3.40%
Business Inventories m/m	7:30pm	USD	Monthly	0.60%	1.00%
FOMC Member Dudley Speaks	7:30pm	USD	~	~	~

## STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USD/INR	Aug'11	SELL	45.35	45.25	45.15	45.45
JPY/INR	Aug'11	SELL	59	58.85	58.7	59.15

## PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USD/INR Spot	45.11	45.26	45.35	45.50	45.60
USD/INR Aug'11	45.14	45.26	45.35	45.46	45.56
EUR/INR Aug'11	63.72	64.08	64.35	64.71	64.98
GBP/INR Aug'11	72.76	73.06	73.33	73.62	73.89
JPY/INR Aug'11	58.72	58.95	59.13	59.36	59.54

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