

SPOT CURRENCYWATCH

Spot rate	High	Low	Close	Prevailing*	Pre. Close
USD/INR*	45.45	45.255	45.33	-	45.405
USD/JPY	76.91	76.73	76.84	76.83	76.84
EUR/USD	1.4455	1.4419	1.4446	1.4429	1.4239
GBP/USD	1.6388	1.6356	1.6387	1.6366	1.6239
US \$ Index	73.96	73.878	73.892	73.93	74.659

*Prevailing prices taken at the time of making the report

USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	Pre. Close	Volume*
Aug'11	45.39	45.3700	4,808,690
Sep'11	45.4725	45.4575	307,941
Oct'11	45.5975	45.5825	38,550

*In Lots

MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	Pre. Close	Volume*
EUR/INR	Aug'11	64.6450	64.4325	245,470
GBP/INR	Aug'11	73.8200	73.3525	51,903
JPY/INR	Aug'11	59.2200	59.1800	30,245

*In Lots

MAJOR WORLD INDICES

Indices	Close	Chg	Pre. Close
S&P 500	1,204.49	31.85	1,172.64
NIKKEI 225	9086.41	104.47	8981.94
SHANGHAI COMPOSITE	2626.77	45.26	2581.51
FTSE	5350.58	30.55	5320.03
CNX S&P NIFTY	5072.95	-65.35	5138.3

FII ACTIVITY (Rs. million)

Date	Purchase	Sale	Net
8/12/2011	37657	36150	1507
8/11/2011	56680	39697	16983
8/10/2011	34073	57104	-23031
8/9/2011	27199	39768	-12569

USDINR NDF Outright

Months	Close	Pre. Close
1 Mn	45.39	45.44
6 Mn	45.85	45.92
12Mn	46.38	46.36

NDF - Non Deliverable Forward

COMMENTARY

Sterling rose against the dollar yesterday after a batch of weak U.S. economic data hurt the U.S. currency, but concerns about the UK recovery and the chance of monetary easing are expected to keep the pound in check.

The UK currency slipped against a broadly stronger euro, whose broad gains were led by a jump against the Swiss franc on speculation that Switzerland's central bank may announce more measures to stem the franc's strength.

The outcome of a meeting between the leaders of Germany and France today could open the door for decisive measures soon to contain the European debt crisis and allow investors to pare their safe-haven Treasuries holdings.

Bunds unmoved by data showing the ECB spent 22 bln euros on government debt last week -- the most since it began its bond-buying programme last year, but within the range of analysts' expectations.

RBI REFERENCE RATES

	Rate	Pre. Close
USD/INR	45.374	45.2713
EUR/INR	64.366	64.5821
GBP/INR	73.5308	73.335
JPY/INR	59.06	59.11

DAILY VOLATILITY

	Close	Pre. Close
USD/INR	0.3162	0.3317
EUR/INR	0.781	0.8

COMMODITIES

	Close	Pre. Close
GOLD	25688	25673
COPPER	402.25	401.3
CRUDE	3896	3793

MCX-SX SPREAD SHEET

Contract	Sep'11	Oct'11	Nov'11
Aug'11	0.0825	0.2075	0.3325
Sep'11	0	0.125	0.2325
Oct'11	0	0	0.1075

USDINR Onshore Forward Premiums

Months	Close	Pre. Close
1 Mn	7	3.5
3 Mn	31.25	21.25
12Mn	137.75	111.5



DEBT MARKETWATCH

Period	Rate	Pre. Close
Call money rate	7.4	7.75
Mibor rate	7.96	8.05
14 day Mibor	8.25	8.27
3 month Mibor	8.83	9.03
5 year G-sec	8.265	8.21
10 year G-sec	8.301	8.207
Repo Amount	574.45 (Rs. Billion)	386.25 (Rs. Billion)
Reverse Repo amount	10.10 (Rs. Billion)	6.10 (Rs. Billion)
US 5-yr Benchmark	0.9884	0.9767
US 10-yr Benchmark	2.2991	2.2831
1 month LIBOR	0.21022	0.20722
3 month LIBOR	0.29172	0.28617

COMMENTARY

The Indian rupee ended higher on Friday aided by a stronger euro after shaving most gains on heavy dollar buying by oil importers and negative local shares.

The partially convertible rupee closed at 45.35/36 per dollar, 0.1 percent stronger than Thursday's close of 45.4050/4150. It had traded in a band of 45.2500-45.4650 intraday.

India is estimated to owe around \$4 billion to Iran for its oil imports and domestic oil firms have been aggressively buying dollars to make these payments.

Indian shares posted their third consecutive weekly loss on Friday, ending 1.29 percent lower, as global economic concerns and heightened expectations that the central bank may not pause its monetary tightening cycle continued to weigh on sentiments.

The Indian rupee is expected to open stronger this morning on the back of a firm euro and likely positive local shares. The likely range for rupee to trade in spot is 45.15-30.

IMPORTANT ECONOMIC INDICATORS

Indicator	Time	Region	Period	Expected	Prior
German Prelim GDP q/q	Up Next 11:30am	EUR	Quarterly	0.50%	1.50%
CPI y/y	2:00pm	GBP	Yearly	4.30%	4.20%
RPI y/y	2:00pm	GBP	Yearly	5.00%	5.00%
Core CPI y/y	2:00pm	GBP	Yearly	3.10%	2.80%
DCLG HPI y/y	2:00pm	GBP	Yearly	0.90%	-1.60%
Flash GDP q/q	2:30pm	EUR	Quarterly	0.30%	0.80%
Trade Balance	2:30pm	EUR	Monthly	0.3B	-0.6B
BOE Inflation Letter	Tentative	GBP	~	~	~
Building Permits	6:00pm	USD	Monthly	0.61M	0.62M
Housing Starts	6:00pm	USD	Monthly	0.60M	0.63M
Import Prices m/m	6:00pm	USD	Monthly	0.00%	-0.50%
Capacity Utilization Rate	6:45pm	USD	Monthly	77.00%	76.70%
Industrial Production m/m	6:45pm	USD	Monthly	0.50%	0.20%

STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USD/INR	Aug'11	BUY	45.20	45.30	45.40	45.10
JPY/INR	Aug'11	BUY	58.75	58.95	59.05	58.6

PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USD/INR Spot	45.15	45.24	45.35	45.44	45.54
USD/INR Aug'11	45.17	45.28	45.37	45.48	45.58
EUR/INR Aug'11	64.08	64.36	64.53	64.81	64.98
GBP/INR Aug'11	73.13	73.48	73.73	74.07	74.33
JPY/INR Aug'11	58.69	58.95	59.11	59.37	59.53

Disclaimer: This Document has been prepared by N.B. Commodity Research (A Division of Nirmal Bang Commodities Pvt Ltd). The information, analysis and estimates contained herein are based on N.B. Commodities Research assessment and have been obtained from sources believed to be reliable. This document is meant for the use of the intended recipient only. This document, at best, represents N.B. Commodities Research opinion and is meant for general information only. N.B. Commodities Research, its directors, officers or employees shall not in any way be responsible for the contents stated herein. N.B. Commodities Research expressly disclaims any and all liabilities that may arise from information, errors or omissions in this connection. This document is not to be considered as an offer to sell or a solicitation to buy any securities. N.B. Commodities Research, its affiliates and their employees may from time to time hold positions in securities referred to herein. N.B. Commodities Research or its affiliates may from time to time solicit from or perform investment banking or other services for any company mentioned in this document.

For any queries contact on 022 - 3926 8165 / 8088 / 8052 / 8171