

### SPOT CURRENCY WATCH

Spot rate	High	Low	Close	Prevailing*	Change
USDINR	45.88	45.76	45.96	45.73	-0.0050
USDJPY	85.51	85.31	85.41	85.42	0.0001
EUROUSD	1.3297	1.3277	1.329	1.328	-0.0008
GBPUSD	1.5993	1.5957	1.5987	1.5971	-0.0010
US \$ Index	80.397	80.33	80.364	80.374	0.0100

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

### USDINR MCX-SX CURRENCY CONTRACTS

Contract	Close	% Chg	Volume
AUG0	46.295	-0.0540	2066294
SEP0	46.495	-0.0537	86391
OCT0	46.685	-0.0749	18159

### MCX-SX CROSS CURRENCY CONTRACTS

	Contract	Close	% Chg	Volume
EURINR	MAY'10	60.9	-0.4170	165732
GBPINR	MAY'10	73.4025	-0.3766	11204
JPYINR	MAY'10	53.76	0.1257	2618

### MAJOR WORLD INDICES

Indices	Close	Chg	% Chg
S&P 500	1121.64	-4.17	-0.3704
NIKKEI 225	9642.12	-11.8	-0.1222
SHANGHAI COMPOSITE	3254.264	14.696	0.4536
FTSE	5355.5	104.09	1.9821
CNX S&P NIFTY	5439.25	-7.85	-0.1441

### FII ACTIVITY (Rs. cr)

Date	Purchase	Sale	Net
8/6/2010	28353	21167	7186
8/5/2010	32864	24260	8604
8/4/2010	34819	29161	5658
8/3/2010	49762	25312	24450

### USDINR NDF Outright

Months	Close	Change
1 Mn	46.27	-0.04
6 Mn	47.07	0.02
12Mn	47.85	0

NDF - Non Deliverable Forward

### COMMENTARY

The Indian rupee slipped from its highest in nearly seven weeks on Friday as local share prices dipped raising concerns whether capital inflows would keep up the momentum for the rest of the year.

Traders also awaited the U.S. non-farm payrolls data, due later in the day, for cues on the dollar's movement next week.

The partially convertible rupee ended at 46.15/16 per dollar, after hitting 45.97, its highest since June 22 and slightly stronger than Thursday's close of 46.18/19. It gained about 0.5 percent on the week.

The benchmark BSE share index logged its fourth weekly rise in five gaining 1.5 percent this week, but shed 0.2 percent on Friday.

Foreign investment inflows to the domestic share market are a key driver of the rupee. Foreigners have bought nearly \$11 billion so far in 2010, adding to record inflows of \$17.5 billion in 2009.

A pressured dollar had supported the rupee earlier in the session. The U.S. currency was near a 3-1/2-month low versus a currency basket as investors braced for fresh U.S. data expected to show a fall in jobs for a second month.

The index of the dollar against six majors was little changed at the time of the local market's close.

The Indian rupee is set to open steady to slightly lower as Asian cues point towards a slightly weaker opening of the domestic stock market.

### RBI REFERENCE RATES

	Rate	Change
USDINR	46.02	0.21
EURINR	60.7	0.1
GBPINR	73.21	0.2495
JPYINR	53.42	0.25

### DAILY VOLATILITY

	Close	Change
USDINR	0.61	0.07
EUROINR	0.67	0.03

### COMMODITIES

	Close	Change
GOLD	18200	1.22
COPPER	340.7	-0.26
CRUDE	3713	-2.16

### MCX-SX SPREAD SHEET

Contract	May-10	Jun-10	Jul-10
May-10	0.2	0.39	0.5425
June-10	0	0.19	0.3425
July-10	0	0	0.1525

### USDINR Onshore Forward Premiums

Months	Close	Change
1 Mn	20	-1
3 Mn	62	-0.75
12Mn	198.25	6.5



## DEBT MARKET WATCH

Period	Rate	Change
Call money rate	5	0.00
Mibor rate	4.91	-0.08
14 day Mibor	5.23	-0.34
3 month Mibor	6.18	-0.40
5 year G-sec	7.694	-0.61
10 year G-sec	7.834	-0.91
Repo Amount	0	0.00
Reverse Repo amount	65.05	16.90
US 5-yr Benchmark	1.5193	0.53
US 10-yr Benchmark	2.8273	0.15
1 month LIBOR	0.29344	-0.42
3 month LIBOR	0.41125	-1.65

## COMMENTARY

The U.S. dollar approached a 15-year low against the yen on Friday and fell against the euro after data showed the United States shed twice as many jobs in July as economists expected, adding to worries about recovery.

While U.S. employers did add 71,000 private sector jobs, that was also less than expectations for a 90,000 gain, and helped push the euro to a three-month high above \$1.33.

The data also drove two-year U.S. Treasury yields to the latest in a string of record lows, further undermining the dollar's yield appeal.

A string of weak U.S. economic data fed speculation this week that the central bank could renew Treasury and mortgage bond purchases to jolt the economy back to health.

The dollar rose against its Canadian counterpart after data showed Canada's economy shed 9,300 jobs in July, compared to forecasts for a 15,000 gain.

## STRATEGY

	Contract	BUY/SELL	Range	Target 1	Target 2	Stop Loss
USDINR	June	Buy	46.26-29	46.41	46.460	46.190

## PIVOT TABLE

	Support 2	Support 1	Pivot	Resistance 1	Resistance 2
USDINR Spot	46.050	46.110	46.160	46.240	46.320
USDINR May'10	46.03	46.15	46.23	46.35	46.44
EURINR May'10	60.64	60.77	60.93	61.07	61.23
GBPINR May'10	72.97	73.19	73.39	73.61	73.82
JPYINR May'10	53.13	53.45	53.62	53.93	54.11

**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 - 3027 1518 / 19 / 20 / 21 / 22