

## Currency Impact

**Table-5: Currency Movement - FOREX Rates**

Currency	12-25-2020	01-01-2021	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	73.59	73.03	-0.76
Euro (EUR)	1.22	1.21	-0.82
Japanese Yen (JPY)	103.50	103.24	-0.25
Brazilian Real (BRL)	5.22	5.19	-0.57
Chinese Yuan (CNY)	6.54	6.53	-0.15
Singapore Dollar (SGD)	1.33	1.33	0.00
Tanzanian Shilling (TZS)	2319.00	2319.00	0.00
Thai Baht (THB)	30.06	29.99	-0.23
Mozambique New Metical (MZN)	74.61	74.20	-0.55
Vietnam Dong (VND)	23134.00	23080.00	-0.23
Indonesian Rupiah (IDR)	14200.00	14214.00	0.10
West African Franc (XOF)	537.25	530.50	-1.26
Ghanaian New Cedi (GHS)	5.87	5.90	0.51

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	72.75	72.40	73.30	73.70
USDBRL	5.10	4.80	5.30	5.45
USDVND	23050	23000	23130	23170

### Rupee is likely to appreciate further

- Indian rupee last week traded in the region of 73.61 and 72.99 and finally settled the week at 73.12 against the dollar.
- Technically rupee is well poised to appreciate further and to test the lower support in the region of 72.45 and 72 going forward. On the higher side 73.70 and 74 will act strong resistance.
- Weakness in dollar index, better than anticipated growth in India barring Q1 of FY 2020-21, good and continued domestic inflows in to the market, approval of vaccine in key countries across the globe to contain the spread of Covid may help the rupee to gain further in the first half of Q1 of 2021.

### Brazil real may appreciate going forward in 2021

- Brazil real last week traded in the region of 5.3117 and 5.1524 and finally settled the week at 5.1973 against the dollar index.
- Brazil real settled below key support levels may signal further appreciation going forward.
- Technically real may test the lower support of 4.95 to 4.80 against the dollar index going forward. As long as 5.35-5.40 is not violated, the appreciating trend of real to remain intact.

- With vaccine in place to control Covid, weaker dollar index and with economy recovery, Brazilian real is likely to gain further going forward in 2021.
- In 2020 Brazil real against USDD has depreciated by close to 30 percent.

**Vietnam dong is likely to stay neutral**

Vietnam dong last week traded in the region of 23135 and 23080 and settled the week at 23080 as on Jan-01. Dong may trade in the broader region of 23050 and 23170 going forward.

