



# LKP

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## ❖ Currency

- USDINR
- EURINR
- GBPINR
- JPYINR

# CURRENCY MARKET- UPDATES



To get profit without risk  
experience without exposure  
and reward without hard work  
is akin to living without being born

## LKP SECURITIES LIMITED

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# CURRENCY - UPDATE

Market Update											
Currency	Exp. Date	Open	High	Low	Close	Change	O.Int	% Cng OI	Volume	ATP	RBI Rate
USD-INR	0-Jan-00	70.66	70.78	70.44	70.54	↓ -0.15	1297393	-14.23	2324185	70.63	70.514
EUR-INR	0-Jan-00	81.61	81.95	81.42	81.46	↑ 0.55	58712	2.29	68916	81.62	81.492
GBP-INR	0-Jan-00	90.44	90.48	89.95	90.04	↑ 0.06	26858	-0.85	59936	90.24	90.166
JPY-INR	0-Jan-00	65.36	65.63	65.26	65.31	↑ 0.57	39559	1.69	34962	65.44	65.400

Currency Spot (Asian Trading)					
Particulars	Open	High	Low	LTP	% Change
EURUSD	1.1497	1.1525	1.1496	1.1521	↑ 0.20
EURGBP	0.9016	0.9033	0.9012	0.9031	↑ 0.18
EURJPY	124.65	124.89	124.59	124.79	↑ 0.11
GBPJPY	138.19	138.32	138.07	138.17	↓ -0.01
GBPUSD	1.2748	1.2759	1.2743	1.2756	↑ 0.07
USDJPY	108.40	108.47	108.22	108.31	↓ -0.09

Economic Data		
TIME	ZONE	DATA
2:30pm	EUR	Italian Industrial Production m/m
7:00pm	USD	CPI m/m
7:00pm	USD	Core CPI m/m

Global Market					
Indices	Close	% Cng	Indices	Close	% Cng
BSE	36106.5	-0.29	Dow Jones	23879.1	0.39
Nifty	10821.6	-0.31	Nasdaq	6957.1	0.87
Nikkei	20306.2	0.71	S&P 500	2585.0	0.41
HangSeng	26558.2	0.14	Bovespa	58487.0	1.44
Straits	2003.4	0.06	CAC 40	4774.8	-0.81
Shanghai	3112.8	0.21	DAX	10849.2	-0.40
Jakarta	6328.7	0.90	FTSE 100	6942.9	0.52

### Trading activity on NSE and BSE in Capital Market Segment (In Rs. Crores)

10/1/2019	Buy Value	Sell Value	Net Value
FI's	4,018.48	4,363.06	-344.58
DI's	3,390.90	3,379.92	10.98

Source - NSE



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# CURRENCY - UPDATE

## NSE-CUR USDINR



Rupee traded in range on buying by nationalised banks likely behalf of oil importers tracking the sharp rise in crude oil prices. India's December retail inflation is expected to have eased to its lowest since June 2017 as food costs fell and fuel prices rose at a slower pace, giving the central bank breathing space to keep policy on hold. Inflation likely cooled to 2.20 percent in December - close to the lower end of the Reserve Bank of India's medium-term target range of 2.0-6.0 percent. In November, inflation was at 2.33 percent. Cooling inflation expectations have also been driven by lower oil prices and a rupee currency that has managed to stabilise after a steep sell-off. The Reserve Bank of India (RBI) is open to infusing "need-based" liquidity into the financial system, Governor Shaktikanta Das said ahead of a meeting with the shadow banking sector, which has been hit hard by a funding crunch. Government officials have pressed the RBI over the past few months to ease lending and capital rules for banks and provide more liquidity to shadow banks. They have also urged the RBI to step up lending support for small businesses and allow the government to use more of the central bank's surplus reserves to boost the economy. Das said the RBI constantly monitors liquidity conditions and would take steps to address any deficit in the banking system. But he said it was also keen to prevent the creation of excess liquidity. Technically now USDINR is getting support at 70.42 and below same could see a test of 70.255 level, And resistance is now likely to be seen at 70.765, a move above could see prices testing 70.945.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
70.66	70.78	70.44	70.54	-0.15	-0.10	2,324,185	1297393	70.73	70.93	71.08	70.58	70.39	70.24	70.04

### Trading Ideas :

- # USDINR trading range for the day is 70.24-70.93.
- # Rupee traded in range on buying by nationalised banks likely behalf of oil importers tracking the sharp rise in crude oil prices.
- # India's December retail inflation is expected to have eased to its lowest since June 2017 as food costs fell and fuel prices rose at a slower pace
- # The Reserve Bank of India (RBI) is open to infusing "need-based" liquidity into the financial system
- # RBI Reference Rate for USDINR was at 70.5135.
- # SELL USDINR BELOW 70.52 SL ABV 70.66 TGT 70.36-70.22. (STBT)



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# CURRENCY - UPDATE

## NSE-CUR EURINR



Euro rallied as dollar dropped after the Federal Reserve expressed caution about future rate hikes, and as investors reduced safe-haven bets due to optimism about U.S.-China trade talks. Economic data in the eurozone has remained consistently weaker than forecasts over the last few months, especially in France and Germany, the eurozone's economic powerhouses. The European Central Bank is widely expected to remain accommodative in 2019, which should keep a lid on the single currency. An unexpected fall in German industrial output for the third straight month helped to weaken the euro. The drop was modest, but it underscored concerns about a slowdown and the European Central Bank's caution as it tries to wean the region off stimulus. German exporters are struggling with weaker global demand and trade disputes driven by U.S. President Donald Trump's policies. The ECB has said it plans to leave rates unchanged through the summer of 2019. Nguyen said she doesn't expect it to tighten policy until 2020. Federal Reserve Chairman Jerome Powell said the Fed is not on a preset path of rate hikes and will be sensitive to the downside risks markets are pricing in. U.S. Commerce Secretary Wilbur Ross said there was a good chance Beijing and Washington would reach a trade deal that "we could live with". Technically now EURINR is getting support at 81.25 and below same could see a test of 81.07 level, And resistance is now likely to be seen at 81.78, a move above could see prices testing 82.13.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
81.61	81.95	81.42	81.46	0.55	0.44	68,916	58712	81.80	82.14	82.33	81.61	81.27	81.08	80.74

### Trading Ideas :

- # EURINR trading range for the day is 81.08-82.14.
- # Euro rallied as dollar dropped after Fed expressed caution about future rate hikes.
- # Economic data in the eurozone has remained consistently weaker than forecasts over the last few months.
- # The European Central Bank is widely expected to remain accommodative in 2019, which should keep a lid on the single currency.
- # RBI Reference Rate for EURINR was at 81.492.
- # BUY EURINR @ 81.40 SL 81.00 TGT 81.70-82.10, NSE



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# CURRENCY - UPDATE

## NSE-CUR GBPINR



GBP gained as the U.S. dollar slipped after the Federal Reserve indicated in the minutes of its December meeting that it was willing to hold off on rate hikes amid concerns about global growth and subdued inflation. GBP has largely been ignoring economic data, instead swinging wildly on any snippet of news about Britain's departure from the EU in less than three months. With only a short time left, the Brexit outcome remains uncertain. British lawmakers are expected to vote next week against a Brexit agreement Prime Minister Theresa May struck with the EU in November. May's government suffered a defeat in parliament when lawmakers who oppose leaving the EU without an accord won a vote creating a new obstacle to a no-deal Brexit. On Wednesday, May failed to win over the Northern Irish party which props up her government and then lost a vote which means she has a shorter period of time to come up with an alternative plan if she is beaten next week. British Prime Minister Theresa May must win a vote in parliament to get her Brexit deal approved or risk seeing Britain's exit from the European Union descend into chaos. The vote is now due to take place on Jan. 15. May's chances of winning the vote look slim as the DUP, the small Northern Irish party that usually props up her government, is opposed to the deal. Technically now GBPINR is getting support at 89.72 and below same could see a test of 89.57 level, And resistance is now likely to be seen at 90.25, a move above could see prices testing 90.63.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
90.44	90.48	89.95	90.04	0.06	0.05	59,936	26858	90.36	90.69	90.9	90.2	89.8	89.63	89.30

### Trading Ideas :

- # GBPINR trading range for the day is 89.63-90.69.
- # GBP gained as the U.S. dollar slipped after the Federal Reserve indicated in the minutes of its December meeting that it was willing to hold off on rate hikes.
- # British Prime Minister Theresa May must win a vote in parliament to get her Brexit deal approved or risk seeing Britain's exit from the European Union descend into chaos.
- # May's chances of winning the vote look slim as the DUP, the small Northern Irish party that usually props up her government, is opposed to the deal.
- # RBI Reference Rate for GBPINR was at 0.1656.
- # BUY GBPINR @ 90.30 SL 89.95 TGT 90.65-90.90. NSE



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# CURRENCY - UPDATE

## NSE-CUR JPYINR



JPY gained as the dollar weakened due to growing expectations the Federal Reserve will pause its rate tightening cycle this year. Minutes from the Fed's Dec. 18-19 meeting revealed that several policymakers were in favor of the US central bank keeping rates steady this year. Broader market sentiment turned slightly cautious as markets waited for concrete evidence that progress is being made in U.S.-China trade talks. Traders still expect market sentiment to remain positive in the medium term on expectations the Fed will not raise rates in 2019 as well as a potential trade deal in coming months between the world's two largest economies. Japan's leading economic index dropped to a two-year low in November, preliminary data from the Cabinet Office showed. The composite leading index fell to 99.3 in November from 99.6 in October. Economists had expected the index to remain unchanged. The coincident index dropped to 103 from 104.9 in October. The assessment of the coincident index was "weakening", same as in the previous two months, the Cabinet Office said. Japan's consumer confidence weakened for a third consecutive month in December, preliminary data from the Cabinet Office showed. The consumer confidence index for households with two or more persons fell to a seasonally adjusted 42.7 from 42.9 in November. Technically now JPYINR is getting support at 65.17 and below same could see a test of 65.0275 level, And resistance is now likely to be seen at 65.5425, a move above could see prices testing 65.7725.

OPEN	HIGH	LOW	CLOSE	%	RE	VOL	OI	R1	R2	R3	PP	S1	S2	S3
65.36	65.63	65.26	65.31	0.57	0.37	34,962	39559	65.54	65.77	65.9	65.4	65.2	65.03	64.80

### Trading Ideas :

- # JPYINR trading range for the day is 65.03-65.77.
- # JPY gained as the dollar weakened due to growing expectations the Federal Reserve will pause its rate tightening cycle this year.
- # BoJ Governor Haruhiko Kuroda: Japan's financial system is maintaining stability, BoJ to keep rates extremely low for extended period
- # BoJ Governor Haruhiko Kuroda: Japan's economy is expanding moderately; CPI is expected to gradually pick up toward 2% target
- # RBI Reference Rate for JPYINR was at 65.4.
- # BUY JPYINR @ 65.30 SL 64.90 TGT 65.70-66.10. NSE



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# CURRENCY - UPDATE

## SPREAD MATRIX FOR USDINR

MONTH	RATE	JAN	FEB	MAR
JAN	70.54		0.213	0.43
FEB	70.75			0.21
MAR	70.96			

## SPREAD MATRIX FOR EURINR

MONTH	RATE	JAN	FEB	MAR
JAN	81.46		0.41	0.80
FEB	81.87	-3.00		0.39
MAR	82.26	-5.00		

## SPREAD MATRIX FOR GBPINR

MONTH	RATE	JAN	FEB	MAR
JAN	90.04		0.372	0.79
FEB	90.41	-3.00		0.42
MAR	90.84	-5.00		

## SPREAD MATRIX FOR JPYINR

MONTH	RATE	JAN	FEB	MAR
JAN	65.31		0.31	0.63
FEB	65.62			0.32
MAR	65.94			

## MAJOR CURRENCY CROSS RATES

Last Trade		INR	U.S. \$	Euro €	U.K. £	Yen
1 INR	=	-	0.0142	0.0123	0.0111	1.5349
1 U.S. \$	=	70.424	-	0.8676	0.7838	108.308
1 Euro €	=	81.170	1.1521	-	0.9031	124.79
1 U.K. £	=	89.829	1.2756	1.1072	-	138.17
1 Yen	=	0.6502	0.0092	0.8013	0.0072	-

## RBI Reference Rate

Date	Last	Previous
USD	70.514	70.514
EURO	81.492	81.492
YEN	65.400	65.400
GBP	90.166	90.166



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