



FX DAILY DOSSIER

March 26, 2020

KEY MARKET THEME

- Indian rupee likely to weaken past 76.50 in today's session.
- Early Asian markets started to fade after Republican delayed a final vote to pass the biggest stimulus in US history.
- Global PMIs unfolds severe recession than great financial crisis.

FX Majors	CMP	1W	1M
EURUSD	1.0902	1.95%	-0.90%
GBPUSD	1.1836	3.06%	-8.16%
USDJPY	110.68	-0.03%	1.00%

FX Cross INR	CMP	1W	1M
USDINR	76.38	2.12%	6.57%
EURINR	82.47	3.36%	4.66%
GBPINR	89.39	2.79%	-3.21%
JPYINR	69.02	2.18%	5.54%

Global Yields	10Y-Yield	1W(bps)	1M (bps)
India	6.34%	2.00	-8.80
US	0.81%	-17.00	-66.33
Germany	-0.26%	28.17	16.70
UK	0.44%	3.81	-13.33

Flows	DTD	WTD	MTD
FII's (INR Crs)	-1893.36	-15,004.88	-58279.15

Note: 1W refers to 1 week change from CMP | 1M refers to 1 month change from CMP

MACRO ANALYSIS

Indian rupee likely to open on a negative note as sentiment against rising cases of COVID-19 is getting severe. So far positive cases surpassed above 600 which is the biggest concern despite PM called for a biggest lock-down for 1.30 bn population.

As of last week the testing coverage was the lowest in the World implying hardly 10 people are getting tested for every one million people. Admittedly the difficulty of carrying out effective contact tracing, and the impracticality of working from home and of social distancing mean that if a large outbreak did occur, the public health and economic impact would be large and long-lasting.

Anticipation of a Wednesday evening vote in the Senate to approve the bill sent the markets higher for the second consecutive day, with the S&P 500 up a little more than 1 percent. But investors appeared to grow jittery toward the end of trading as a group of Republican senators delayed a final vote over concerns that the jobless aid was so generous that it could lead to layoffs and discourage people from working.

Global PMI surveys have unfolds that the corona virus plunging the world economy into recession, global trade looks set to fall much further than it did during the financial crisis.

ECONOMIC DATA

	IST	Previous	Median	SMC's Forecast
GBP Monetary Policy Summary	17:30	-	-	-
GBP Official Bank Rate	17:30	-	-	-

PIVOT LEVELS

Currency	Day's Trend	Pivot	S1	S2	S3	R1	R2	R3
USD/INR (MAR)	POSITIVE	76.24	75.98	75.80	75.55	76.42	76.67	76.86
EUR/INR (MAR)	POSITIVE	82.65	82.18	81.50	81.03	83.33	83.80	84.48
JPY/INR (MAR)	POSITIVE	69.01	68.57	68.26	67.82	69.32	69.76	70.07
GBP/INR (MAR)	POSITIVE	89.33	88.82	87.90	87.39	90.25	90.76	91.68

Currency Research Team

Arnob Biswas - Fundamental Analyst
arnobbiswas@smcindiaonline.com

Tapish Pandey - Technical Associate
tapishpandey@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



Moneywise. Be wise.

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401/402, 4th Floor,
Graham Firth Steel Compound, Off Western
Express Highway, Jay Coach Signal, Goreagon
(East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s) in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance of this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned here in; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.