



CURRENCY	OUTLOOK FOR THE DAY	TREND
USDINR SPOT	Prices made a low of 60.55 and achieved our short term target. However we would change our bias to positive as prices have currently given a break above the downtrend channel, indicating short term trend reversal. USDINR prices can test 61.50 followed by 61.75 levels with 61.00 as support.	↑
MCX USDINR Aug	Post the gap down opening, the strength in USDINR lead EURINR prices at higher levels. However we would change our bias to negative as prices have currently retraced 61.8% of the fall from 82.25 levels supported by a negative divergence on the smaller time frame.	↑
MCX EURINR Aug	As expected prices has breached the support of 70.05 and moved lower till 69.15. Prices can slightly inch higher and should find resistance near 69.70. EURINR prices can now test 81.35 followed by 81.15 levels with 81.75 as resistance	↓
MCX GBPINR Aug	Prices have also been moving in an uptrend channel formed from 90.8 levels, indicating a bullish trend. An initial move towards 95.20 followed by 95.45 is likely with 94.65 as support.	↑
MCX JYPINR Aug	JPYINR prices have taken support near the lower end of the uptrend channel which also happens to be the 50% retracement level of the up move from 61.15 levels. On the smaller time frame, prices have given a break above the downtrend line formed from 63.75 levels. JPYINR prices can now test 63.70 followed by 64.00 levels with 63.15 as support.	↑

CROSS CURRENCY VIEW

CURRENCY	OUTLOOK FOR THE DAY	TREND
EURUSD	EURUSD prices have given a negative confirmation by giving a break below the neckline of the head and shoulder pattern and as long as 1.335\$ is capped, prices can test 1.3230\$ levels.	↓
GBPUSD	Mild bearishness suggests that price could stay below 1.550 area and drift towards nearer supports around 1.540/1.535. It has to rise above 1.550 to hint that this drift might not be seen.	↓
USDJPY	USDJPY prices have taken resistance near the crucial resistance level of 97\$ supported by a negative reversal sign on the RSI. An initial move towards 95.70\$ is likely followed by 95\$ with 97\$ as resistance on closing basis.	↑

TRADE RECOMMENDATION

CURRENCY	STRATEGY	LEVELS	TARGET	STOP-LOSS
USD-INR	Buy	61.20	61.60	61.00
EUR-INR	Sell	81.70	81.30	81.90
GBP-INR	Buy	94.80	95.20	94.60
JPY-INR	Buy	63.30	63.70	63.10

Strategy for the day:

Buy USDINR Aug@ 61.25Call in the range of 0.650-0.0.60, Keep a SL 0.20 on the spread strategy with a TGT of 0.45.

MCX-SX

	HIGH	LOW	CLOSE	%CHG	OI
USD May	61.36	60.52	61.30	0.26	447100
EUR May	81.68	80.74	81.57	-0.18	47734
GBP May	95.09	93.88	94.94	0.08	27965
JPY May	63.45	62.50	63.41	-0.11	9888

NSE Levels

	HIGH	LOW	CLOSE	%CHG	OI
USD May	61.7675	61.2250	61.4050	0.26	713,338
EUR May	81.69	80.73	81.58	-0.18	77,117
GBP May	95.10	93.89	94.99	0.08	45,626
JPY May	63.46	62.49	63.42	-0.11	12,404

CHART - USD-INR



Technical View

Prices made a low of 60.55 and achieved our short term target. However we would change our bias to positive as prices have currently given a break above the downtrend channel, indicating short term trend reversal. USDINR prices can test 61.50 followed by 61.75 levels with 61.00 as support.

Option Data

Calls (Expiry on Expiry 28/08/2013)				
Strike Price	Open Interest	Volume (Contracts)	Implied Volatility	LTP
61.00	31,946	38,136	9.89	0.8200
62.00	33,979	37,234	11.38	0.3850
61.50	12,662	23,007	10.91	0.5800
63.00	17,138	9,160	12.07	0.1500
60.00	37,731	5,157	5.43	1.5125

Puts (Expiry on 28/08/2013)				
Strike Price	Open Interest	Volume (Contracts)	Implied Volatility	LTP
61.00	70,664	62,896	14.40	0.4950
60.00	60,499	54,372	14.45	0.2050
60.50	35,224	26,882	14.50	0.3300
59.50	37,802	14,607	14.95	0.1350
61.50	16,954	10,561	15.17	0.7550

SPOT Rates RBI Reference Rates

	HIGH	LOW	CLOSE	%CHG
EUR-USD	1.3344	1.3273	1.3288	-0.40
GBP-USD	1.5522	1.5458	1.5481	-0.14
USD-JPY	96.91	95.92	96.68	0.52
Dollar index	81.51	81.10	81.42	0.36

	Rate (INR)	Pr Close	%CHG
USD-INR	60.8025	61.1150	-0.51
EUR-INR	81.0345	81.5420	-0.62
GBP-INR	94.2074	94.7710	-0.59
JPY-INR	63.0700	63.4400	-0.58

EQUITY INDICES SPOT RATES COMMODITIES

	CLOSE	PR CLOSE	CHANGE
NIFTY	4986	4920	1.33
SENSEX	16417	16417	0.00
DOW JONES	15400	15426	-0.16
FTSE	6577	6583	-0.10

	HIGH	LOW	CLOSE	%CHG
GOLD	1344.10	1315.10	1334.25	1.54
SILVER	21.46	20.63	21.37	4.09
COPPER	3.328	3.284	3.313	0.13
CRUDE	106.45	105.06	106.20	0.35

FUNDAMENTALS:

USD-INR

- The RBI will auction 220 billion Rupees of cash management bills helped India's currency achieve its strongest level against the US Dollar since August 1st.
- The RBI has taken a number of measures to increase the interest rate at the short end and this has contained the depreciation of the Rupee to some extent. However, we believe that we have to do more to contain the current-account deficit to reduce the volatility in the currency market and to stabilize the Rupee
- India will also release factory output, consumer price inflation and manufacturing inflation data aftermarket hours.
- India's central bank announced new measures on Thursday to drain cash from the financial system in a bid to address volatility in currency markets, after a slew of steps announced last month failed to prop up the battered rupee.

Cross-currencies

- The dollar touched the highest in almost a week versus the yen before a report today that may show U.S. retail sales climbed for a fourth month.
- U.K. consumer prices increased 2.8 percent in July from a year earlier, after rising 2.9 percent the previous month
- The pound was little changed versus the dollar and euro as a gauge of U.K. house prices rose to the highest in almost seven years in July, adding to evidence the economic recovery is gathering pace.
- Australia's dollar fell for a second day before U.S. data that may show retail sales climbed, adding to the case for the Federal Reserve to taper monetary stimulus that tends to weaken the greenback.
- The 17-nation bloc is growing again after an unprecedented six quarters of crisis-driven contraction, economists from Barclays Plc to JPMorgan Chase & Co. say such stabilization will restore the region as a prop, if not a powerhouse, for international demand and financial markets.

PIVOT TABLE

MCX LEVELS					
CURRENCY	R2	R1	Pivot	S1	S2
USD-INR	61.90	61.60	61.06	60.76	60.22
EUR-INR	82.27	81.55	81.33	80.98	80.39
GBP-INR	95.49	94.56	94.28	93.47	93.07
JPY-INR	64.07	63.34	63.12	62.79	62.17
EUR-USD	1.34	1.33	1.33	1.33	1.32
GBP-USD	1.56	1.55	1.55	1.55	1.54
USD-JPY	97.49	96.74	96.50	96.10	95.51

IMPORTANT DATA TO WATCH

Date	Country / Currency	Event	IST	Actual	Cons.	Previous	Effect
12-Aug	JPY	Prelim Machine Tool Orders y/y	11:30	-12.1%		-12.4%	Bullish
	CHF	Retail Sales y/y	12:45	2.3%	1.9%	1.5%	Bullish
	USD	Mortgage Delinquencies					
	USD	Federal Budget Balance	23:30	-97.6bn	-95.3bn	116.5bn	Bearish
13-Aug	USD	Core Retail Sales m/m	18:00		0.4%	0.0%	
	USD	Retail Sales m/m	18:00		0.2%	0.4%	
	USD	Import Prices m/m	18:00		0.9%	-0.2%	
	USD	Business Inventories m/m	19:30		0.3%	0.1%	

DISCLAIMER: This document is not for public distribution and has been furnished to you solely for your information and may not be reproduced or redistributed to any other person. The manner of circulation and distribution of this document may be restricted by law or regulation in certain countries, including the United States. Persons into whose possession this document may come are required to inform themselves of, and to observe, such restrictions. This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any commodity in any jurisdiction where such an offer or solicitation would be illegal. No person associated with EmkayCommodity Ltd. is obligated to call or initiate contact with you for the purposes of elaborating or following up on the information contained in this document. The material 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. Neither EmkayCommodity Ltd., nor any person connected with it, accepts any liability arising from the use of this document. The recipient of this material should rely on their own investigations and take their own professional advice. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. We and our affiliates, officers, directors, and employees worldwide, including persons involved in the preparation or issuance of this material may; (a) from time to time, have long or short positions in, and buy or sell the commodities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the financial instruments of the 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 company(ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions. The same persons may have acted upon the information contained here. No part of this material may be duplicated in any form and/or redistributed without EmkayCommodity Ltd.'s prior written consent. In so far as this report includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.