

KEY HEADLINES:

The Indian rupee spot against the US dollar ended again at all time low on Thursday, pressured by weak Asian peers, dollar demand from foreign banks and gain in Crude oil prices, while upside cap by likely RBI intervention support rupee from sharp fall.

The rupee at NSE Future 27 Dec. ended down by 2 paise at 84.97 against previous close of 84.95 and after make low of 84.93 and high of 84.98. The one-year implied yield rose 7 basis points to a peak of 2.24% during the session before reversing course to trade nearly flat.

The rupee has weakened 0.4% in December, underperforming many of its regional peers as concerns over slowing economic growth and the appointment of a new RBI chief has fuelled expectations of rate cuts next year, hurting the local unit.

India's retail inflation eased in November as soaring vegetable prices moderated, boosting expectations of an interest rate cut by the central bank at its next policy review amid concerns around slowing growth. Retail inflation eased in November to 5.48%, lower than 6.21% in the previous month and below a 5.53% forecast by economists in a Reuters poll. Core inflation, which excludes volatile items such as food and energy and is seen as a better gauge of domestic demand, was between 3.64% and 3.7%, compared to 3.7% in October, according to two economists.

India's industrial output rose to a three-month high of 3.5% year-on-year in October, helped by a pickup in consumer durables and garment manufacturing during the festival season, government data showed on Thursday. The rise was in line with the 3.5% forecast in a Reuters poll of economists and higher than 3.1% growth in the previous month. Manufacturing output rose 4.1% year-on-year in October compared to a 3.9% growth in the previous month. In the April-October period, industrial output increased by 4%, compared to a revised 7% growth a year earlier.

Between now and the next rate meeting in February, the new Governor's views on liquidity, currency management and macro-prudential measures will be watched closely.

Measures from the U.S. President-elect -- including tariffs and tax cuts -- should put upward pressure on inflation and bond yields while limiting the Fed's scope to ease policy and supporting the greenback. The dollar index is up more than 2.5% in November so far while the U.S. 10-year Treasury yield touched an over-5-month high of 4.50% last week.

The U.S. dollar was higher on Thursday after a hotter than expected inflation readout while the euro traded a touch lower following the European Central Bank's decision to cut interest rates for the fourth

time this year.

The ECB on Thursday cut interest rates by 25 basis points and kept the door open to further easing ahead as inflation closes in on its goal and the economy remains weak.

A Labor Department report on Thursday showed producer prices rose 0.4% on a monthly basis in November, compared with estimates of a 0.2% rise as per economists polled by Reuters.

The dollar index , which measures the currency against a basket of six others, was last up 0.328% at 106.9. The euro was last down 0.23% against the dollar at \$1.0472. The dollar was up 0.61% at 0.8898 francs. The dollar was slightly weaker at 152.220 yen. The yuan was last trading around 7.2780 per dollar in offshore trading.

The market was pricing a roughly 94% chance of a quarter-point hike at its next policy meeting on Dec. 19, little changed from before the speech.

Economic Indicators to be released.

| Indicator | Currency | Forecast | Previous | Impact |
|-----------|----------|----------|----------|--------|
| | | | | |
| GDP m/m | GBP | 0.1% | -0.1% | HIGH |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Support Resistance Levels – Currency Future: (NSE CUR - 27 Dec 24)

| Currency | LTP | S1 | S2 | R1 | R2 | Trend |
|------------------|--------|--------|--------|--------|--------|----------|
| USDINR FUTURE | 84.97 | 84.70 | 84.30 | 85.0 | 85.60 | BULLISH |
| EURINR FUTURE | 89.24 | 89.00 | 88.35 | 89.90 | 90.50 | BEARISH |
| GBPINR FUTURE | 108.31 | 107.40 | 106.60 | 108.75 | 109.50 | BULLISH |
| JPYINR FUTURE | 56.57 | 56.40 | 56.0 | 57.0 | 57.35 | SIDEWAYS |

Technical Research Analyst

Vibhu Ratandhara

Disclosure:

M/s. Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The Analysts engaged in preparation of this Report or his/her relative: - (a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report. The Analysts engaged in preparation of this Report:- (a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c) have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any

compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

M/s. Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No. INH100001666 and research analyst engaged in preparation of report

Disclaimer:

This research report has been published by M/s. Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently sent or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of M/s. Bonanza portfolio Ltd shall be

liable. Research report may differ between M/s. Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the Subject Company or third party in connection with the research report

M/s. Bonanza Portfolio Ltd at Bonanza House, Plot No. M-2, Cama Industrial Estate.
Walbhat Road, Goregaon (E), Mumbai – 400063 Web site:
<https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186