

**KEY HEADLINES:**

The Indian rupee spot against the US dollar end lower on Monday, to end month as well quarter marginal fall, trailing most Asian peers amid slower inflows and growth concern with looming reciprocal tariff threat. however RBI aggressive rate cut, later rally in equity market and lower Crude oil prices support rupee in last few weeks.

The rupee at NSE Future 29 July-25. ended lower by 26 paise at 85.87 against previous close of 85.61 and after make low of 85.55 and high of 85.92.

Rupee posted modest losses of 0.2% and 0.3% respectively for the month and qter, underperforming most Asian peers amid a broad dollar downtrend. Asian peers such as the Taiwan dollar and Korean won have risen about nearly 13% and 8% year-to-date, respectively, while the offshore Chinese yuan, a closely tracked peer of the rupee, is up over 2%.

The dollar index is down over 10% on the year so far, worst H1 since 1973, ibogged down by worries over U.S. trade and fiscal policies, worries over the future independence of the Federal Reserve and expectations of upcoming cuts to benchmark interest rates.

India's fiscal deficit for April-May was 131.6 billion rupees (\$1.5 billion) or 0.8% of the estimate for the financial year ending March 31, government data showed on Monday.

Indian banks' gross bad loan ratio will remain close to multi-decade lows if economic growth holds steady as projected, a report published by the central bank on Monday showed. The Reserve Bank of India forecasts growth at 6.5% and 6.7% in fiscal 2026 and 2027. The gross bad loan ratio - the proportion of bad assets of a lender to total loans - of 46 banks was at 2.3% in March 2025 and is seen rising marginally to 2.5% by March 2027, the RBI said in its Financial Stability Report. The bad loan ratio could rise to 5.3% and 5.6% under two separate high-risk scenarios, where growth is much below the forecasts, the report said. The Financial Stability Report is published twice a year and includes contributions from all financial sector regulators.

India's industrial output grew 1.2% y-o-y in May, its slowest pace since August 2024, government data showed on Monday. ndustrial output grew 2.7% year-on-year in April.

India is likely to get above-average monsoon rainfall, critical to the economy, in July after receiving 9% above-normal rains in June, a senior weather department official said on Monday. All regions, except northeastern states and the southern states of Tamil

Nadu and Kerala, are likely to receive rainfall equating to more than 106% of the 50-year average in July, Mrutyunjay Mohapatra, director-general of the India Meteorological Department (IMD), told a virtual news conference.

The dollar languished against the euro and Swiss franc on Monday as markets weighed the prospect of a ballooning U.S. government deficit and the potential for trade deals with major trading partners.

The dollar was down 0.44% to 0.79475 against the Swiss franc . The euro was up 0.28% at \$1.175450 against the dollar. The greenback was set to finish the month 3.4% down against the franc, while the euro was set to gain about 3.6% against the dollar. The dollar was down 0.19% to 144.33 against the Japanese yen , on track to finish the month flat versus the Asian currency.

The dollar index, which measures the greenback against a basket of currencies including the yen and the euro, fell 0.15% to 97.05, on track for its 6<sup>th</sup> - straight month of losses. It is set to mark its worst half-year since the 1970s.

Fed funds futures traders are pricing in 23% odds of a July cut, up from 13% a week ago, while a cut by September has a 93% probability, according to the CME Group's FedWatch Tool. In total, traders see 66 basis points of cuts by year-end, indicating a potential third 25-basis point reduction, up from 46 basis points on Friday.

### Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
Fed Chair Powell Speaks	USD			HIGH
ISM Manufacturing PMI	USD	48.8	48.5	HIGH
JOLTS Job Openings	USD	7.32M	69.4M	HIGH

### Support Resistance Levels – Currency Future: ( NSE CUR - 29 July 25)

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	85.87	85.50	84.90	86.30	87.10	BEARISH
EURINR FUTURE	100.85	99.70	99.0	101.0	102.0	BULLISH
GBPINR FUTURE	117.71	117.0	116.30	118.10	119.0	BULLISH
JPYINR FUTURE	59.57	59.30	58.70	60.40	61.0	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