



# A STUDY ON FLUCTUATIONS OF INDIAN CURRENCY WITH RESPECT TO SELECTED FOREIGN CURRENCIES

United States dollar (\$), Great Britain Pound (sterling) (£), European Union Euro (€)

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## INTRODUCTION

The currency market has long served an important function in global business by providing companies a way to exchange funds in one currency for funds in another. The evolution of the Internet in the late 20th and early 21st century propelled growth in online Forex brokers. This gave regular investors an easy and effective way to speculate in currencies for profit, based on the ongoing changes in prices. A currency has value, or worth, in relation to other currencies, and those values change constantly. Currency fluctuations are a natural outcome of the floating exchange rates. The exchange rate of one currency versus the other is influenced by numerous fundamental and technical factors.

## NEED OF THE STUDY

To know the in brief about different currencies (selected) traded in foreign exchange.  
To evaluate the changes in value of selected foreign currency.  
To find whether investment in the currency is profitable or not.

## OBJECTIVE OF THE STUDY

To study the foreign exchange rates of selected foreign currencies  
To compare the value of Indian rupee with other selected foreign currency  
To evaluate the changes in the value of the currency

## SCOPE OF THE STUDY

The scope of the study is limited to foreign exchange rates of selected foreign currencies. The currencies involved in the study are as follows:

- 1 United States dollar (\$)
- 2 Great Britain pound (sterling) (£)
- 3 European Union euro (€)

## PERIOD OF THE STUDY

The study is conducted from 1 January 2017 to 31 December 2017

## Limitations of the study

It will be limited to the selected currencies  
The study is limited to period of time

## INTRODUCTION TO FOREIGN EXCHANGE & ITS ADMINISTRATIVE FRAME WORK

**Foreign exchange:** Foreign exchange is the mechanism by which the currency of one country gets converted into the currency of another country. The conversion is done by banks who deal in foreign exchange. These banks maintain stocks of foreign currencies in the form of balances with banks abroad. For instance, Indian Bank may maintain an account with Bank of America, New York, in which dollars are held.



**Some of the important factors which affect exchange rates are**

**Balance of payment:** It represents the demand for and supply of foreign exchange which ultimately determine the value of the currency. Exporters from the country demand for the currency of the country in the forex market. The exporters would offer to the market the foreign currencies have acquired and demand in exchange the local currency. Conversely, imports into the country will increase the supply of currency of the country in the forex market. When the BOP of a country is continuously at deficit, it implies that demand for the currency of the country is lesser than the supply.

**Inflation:** Inflation in the country would increase the domestic prices of the commodities. With increase in prices exports may dwindle because the price may not be competitive.

**Interest rates:** The interest rate has a great influence on the short-term movement of capital. When the interest rate at a center rises, it attracts short term funds from other centers.

**Money supply:** An increase in money supply in the country will affect the exchange rates through causing inflation in the country. It can also affect the exchange rate directly.

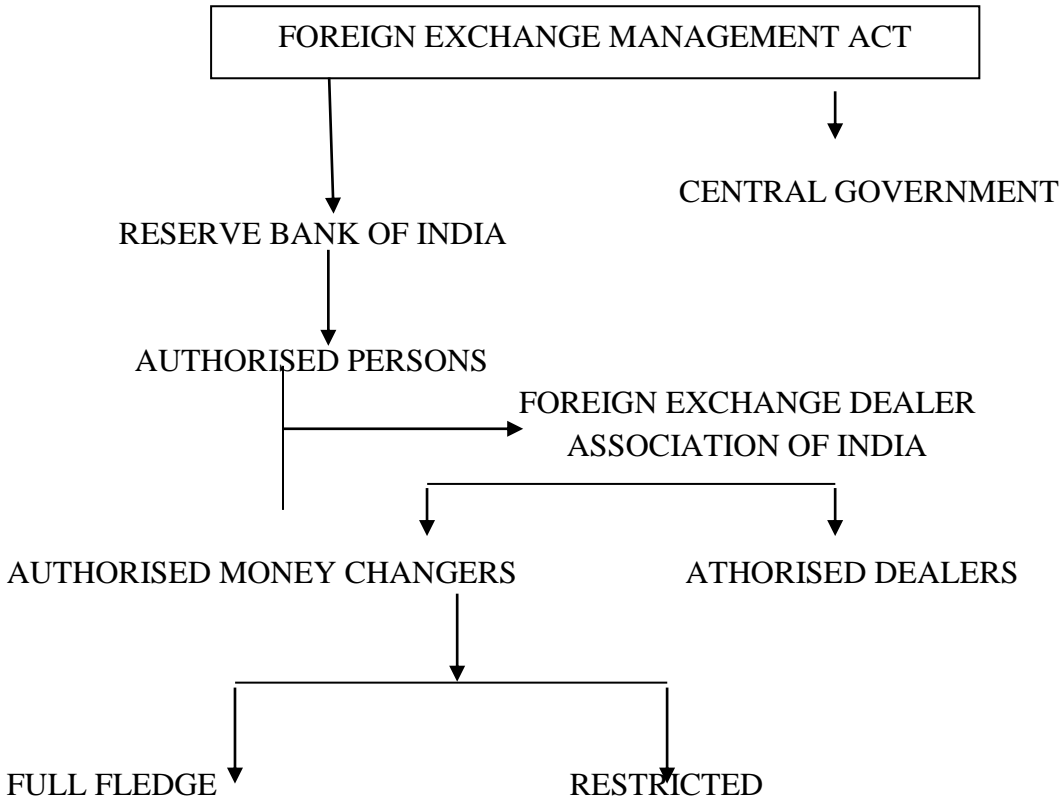
**National income:** An increase in national income reflects increase in the income of the residents of the country. The increase in the income increases the demand for goods in the country.

**Resource discoveries:** When the country is able to discover key resources, its currency gains in value.

**Capital Movements:** There are many factors that influence movement of capital from one country to another. Short term movement of capital may be influenced by the offer of higher interest in a country

**ADMINISTRATION FRAME WORK FOR FOREIGN EXCHANGE IN INDIA**

**Fig: ADMINISTRATION OF FOREIGN EXCHANGE IN INDIA**





**FOREIGN EXCHANGE DEALER’S ASSOCIATION OF INDIA (FEDAI):**FEDAI was established in 1958 as an association of all authorized dealers in India. The principal functions of FEDAI are: To frame rules for the conduct of foreign exchange business in India. These rules cover various aspects like hours of business, charges for foreign exchange transactions, quotation of rates to customer, inter-bank dealings, etc. All authorized dealers have given undertaking to the Reserve Bank to abide these rules. To co-ordinate with Reserve Bank of India in Proper administration of exchange control. To control information likely to be of interest to its members.

**US Dollar :**The **United States dollar** (sign: \$; code: **USD, U.S. dollar, or American dollar**) is the official currency of the United States and its insular territories per the United States Constitution since 1792. For most practical purposes, it is divided into 100 smaller cent (¢) units, but officially it can be divided into 1000 mills (m).

**Exchange rate of US Dollar ( 1-1-17 to 31-12-17) with reference to Indian rupee**

S.NO	Date	US Dollar	Date	US Dollar	Date	US Dollar
1	1/2/2017	68.0225	3/1/2017	66.8482	5/2/2017	64.2072
2	1/3/2017	68.0864	3/2/2017	66.7433	5/3/2017	64.1439
3	1/4/2017	68.1791	3/3/2017	66.8354	5/4/2017	64.2115
4	1/5/2017	67.7884	3/6/2017	66.7559	5/5/2017	64.3079
5	1/6/2017	67.9522	3/7/2017	66.6347	5/8/2017	64.2154
6	1/9/2017	68.1863	3/8/2017	66.6362	5/9/2017	64.5065
7	1/10/2017	68.0641	3/9/2017	66.7707	5/11/2017	64.438
8	1/11/2017	68.2276	3/10/2017	66.688	5/12/2017	64.3043
9	1/12/2017	68.0858	3/14/2017	66.618	5/15/2017	64.1188
10	1/13/2017	68.231	3/15/2017	65.5146	5/16/2017	64.0758
11	1/16/2017	68.1558	3/16/2017	65.3836	5/17/2017	64.0214
12	1/17/2017	68.0509	3/17/2017	65.5411	5/18/2017	64.3441
13	1/18/2017	67.9364	3/20/2017	65.3827	5/19/2017	64.9906
14	1/19/2017	68.1766	3/21/2017	65.3117	5/22/2017	64.5632
15	1/20/2017	68.0883	3/22/2017	65.4881	5/23/2017	64.7751
16	1/23/2017	68.0843	3/23/2017	66.5422	5/24/2017	64.8586
17	1/24/2017	68.157	3/24/2017	65.4581	5/25/2017	64.5088
18	1/25/2017	68.1556	3/27/2017	65.0892	5/26/2017	64.5945
19	1/27/2017	68.2043	3/29/2017	64.9552	5/29/2017	64.5565
20	1/30/2017	68.0426	3/30/2017	64.9325	5/30/2017	64.6336
21	1/31/2017	67.8125	3/31/2017	64.8386	5/31/2017	64.5459
22	2/1/2017	67.6458	4/3/2017	64.9103	6/1/2017	64.4704
23	2/2/2017	67.448	4/5/2017	65.0438	6/2/2017	64.4208
24	2/3/2017	67.3825	4/6/2017	64.9791	6/5/2017	64.3485
25	2/6/2017	67.1958	4/7/2017	64.3928	6/6/2017	64.3516
26	2/7/2017	67.3692	4/10/2017	64.4418	6/7/2017	64.4538
27	2/8/2017	67.3058	4/11/2017	64.5438	6/8/2017	64.3554
28	2/9/2017	67.0123	4/12/2017	66.692	6/9/2017	64.2584
29	2/10/2017	66.9367	4/13/2017	64.3165	6/12/2017	64.3407
30	2/13/2017	66.9663	4/17/2017	64.4053	6/13/2017	64.4453
31	2/14/2017	66.9439	4/18/2017	64.5657	6/14/2017	64.3141
32	2/15/2017	66.9193	4/19/2017	64.5443	6/15/2017	64.2801
33	2/16/2017	66.9468	4/20/2017	64.6364	6/16/2017	64.5883



34	2/17/2017	67.0467	4/21/2017	64.5701	6/19/2017	64.3788
35	2/20/2017	66.9771	4/24/2017	64.4757	6/20/2017	64.4672
36	2/22/2017	66.9644	4/25/2017	64.2776	6/21/2017	64.6025
37	2/23/2017	66.8351	4/26/2017	64.0013	6/22/2017	64.495
38	2/27/2017	66.7249	4/27/2017	64.1141	6/23/2017	64.5365
39	2/28/2017	66.7375	4/28/2017	664.217	6/27/2017	64.4572

S.NO	Date	US Dollar	Date	US Dollar	Date	US Dollar
1	6/28/2017	64.5288	8/30/2017	63.9431	11/1/2017	64.5256
2	6/29/2017	64.4715	8/31/2017	64.0154	11/2/2017	64.593
3	6/30/2017	64.7379	9/1/2017	63.9804	11/3/2017	64.5764
4	7/3/2017	64.7525	9/4/2017	64.0468	11/6/2017	64.7267
5	7/4/2017	64.8168	9/5/2017	64.1164	11/7/2017	64.8064
6	7/5/2017	64.7209	9/6/2017	64.2146	11/8/2017	65.0592
7	7/6/2017	64.7779	9/7/2017	64.0276	11/9/2017	64.8967
8	7/7/2017	64.7342	9/8/2017	63.8664	11/10/2017	65.0147
9	7/10/2017	64.5405	9/11/2017	63.8859	11/13/2017	65.4272
10	7/11/2017	64.5025	9/12/2017	63.9474	11/14/2017	65.5171
11	7/12/2017	64.4969	9/13/2017	63.9818	11/15/2017	65.3689
12	7/13/2017	64.4384	9/14/2017	64.0692	11/16/2017	65.2969
13	7/14/2017	64.4539	9/15/2017	64.0774	11/17/2017	64.8462
14	7/17/2017	64.3666	9/18/2017	64.0371	11/20/2017	65.0565
15	7/18/2017	64.3301	9/19/2017	64.1769	11/21/2017	65.0386
16	7/19/2017	64.3211	9/20/2017	64.3637	11/22/2017	64.7453
17	7/20/2017	64.4273	9/21/2017	64.5256	11/23/2017	64.7949
18	7/21/2017	64.3185	9/22/2017	64.9596	11/24/2017	64.7328
19	7/24/2017	64.4494	9/25/2017	64.8357	11/27/2017	64.6948
20	7/25/2017	64.358	9/26/2017	65.3371	11/28/2017	64.4206
21	7/26/2017	64.4208	9/27/2017	65.6947	11/29/2017	64.4058
22	7/27/2017	64.1216	9/28/2017	65.7604	11/30/2017	64.4332
23	7/28/2017	64.1483	9/29/2017	65.3552	12/4/2017	64.3799
24	7/31/2017	64.0773	10/3/2017	65.5529	12/5/2017	64.3764
25	8/1/2017	64.0683	10/4/2017	65.2899	12/6/2017	64.4467
26	8/2/2017	64.069	10/5/2017	65.1758	12/7/2017	64.5388
27	8/3/2017	63.6314	10/6/2017	65.2276	12/8/2017	64.4649
28	8/4/2017	63.7091	10/9/2017	65.3074	12/11/2017	64.3616
29	8/7/2017	63.7375	10/10/2017	65.2652	12/12/2017	64.4834
30	8/8/2017	63.7382	10/11/2017	65.2691	12/13/2017	64.4525
31	8/9/2017	63.7491	10/12/2017	65.1003	12/14/2017	64.2798
32	8/10/2017	63.9437	10/13/2017	64.9301	12/15/2017	64.0958
33	8/11/2017	64.1693	10/16/2017	64.7603	12/18/2017	64.1065
34	8/14/2017	64.0253	10/17/2017	64.9226	12/19/2017	64.1205



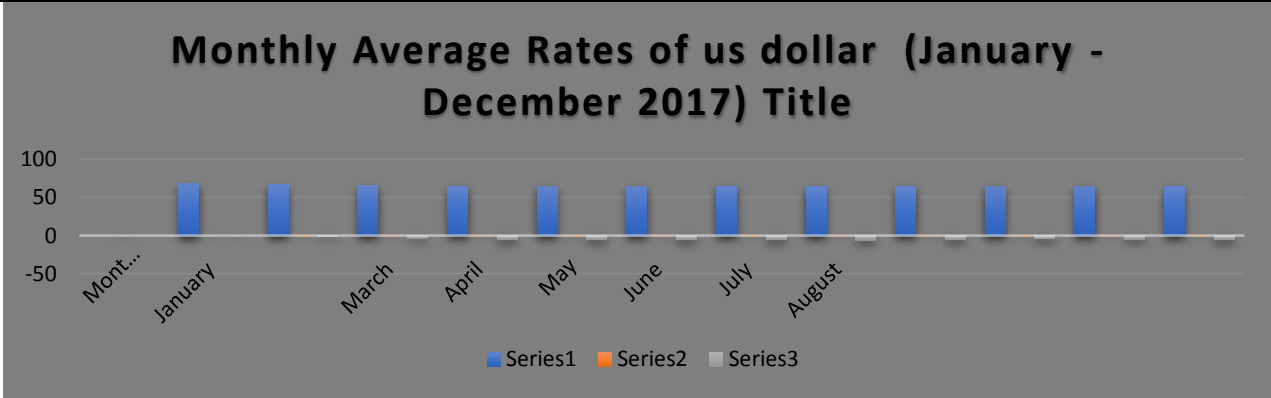
35	8/16/2017	64.2428	10/18/2017	65.0649	12/20/2017	64.0577
36	8/18/2017	64.1048	10/23/2017	65.0239	12/21/2017	64.0883
37	8/21/2017	64.0285	10/24/2017	64.9256	12/22/2017	64.0409
38	8/22/2017	64.1099	10/25/2017	65.1386	12/26/2017	64.0538
39	8/23/2017	64.1272	10/26/2017	64.7888	12/27/2017	64.1577
40	8/24/2017	64.0676	10/27/2017	65.0931	12/28/2017	64.1716
41	8/28/2017	63.8701	10/30/2017	64.9338	12/29/2017	63.9273
42	8/29/2017	64.0174	10/31/2017	64.7745		

Calculation of monthly average rates of US Dollar

Average monthly rate = sum of rates / no of days in a month

% change in US Dollar (monthly): = current month rate –base rate / base rate

Monthly Average Rates of us dollar (January -December 2017)	% change in us dollar	
January	68.08036667	0
February	67.07545	-0.014760741
March	65.87665714	-0.032369237
April	64.50708889	-0.052486171
May	64.4248381	-0.053694314
June	64.44299048	-0.053427682
July	64.45588095	-0.05323834
August	63.968385	-0.060398935
September	64.44094762	-0.053457689
October	65.08128421	-0.04405209
November	64.86261364	-0.047264038
December	64.24232105	-0.05637522



**Interpretation**

The above table and bar diagram showing monthly average rates and % change in value of currency 2017. The value of January 2017 is considered as base rate which is 68.08036667. The currency value is decreasing every month. From January to February there is a decrease of 1.476%. The decreased change in March is 3.23% and approximately 5.5% in April, May, June, July & September. There is a highest decrease in August month i.e. 6.039%. There is a decrease of 4.4% and 4.72% in October and November respectively. It raised to 5.637% in December 2017.

**Great Britain Pound (sterling)**

The pound sterling (symbol: £; ISO code: GBP), commonly known as the pound and also referred to as Sterling, is the official currency of the United Kingdom, Jersey, Guernsey, the Isle of Man, South Georgia and the South Sandwich Islands, the British Antarctic Territory, and Tristan da Cunha.<sup>1</sup> It is subdivided into 100 pence.



**Exchange rate of Pound Sterling (1-1-17 to 31-12-17) with reference to Indian rupee**

S.NO	Date	GBP	Date	GBP	Date	GBP
1	2/1/2017	83.967	2/3/2017	81.9875	4/5/2017	82.5631
2	3/1/2017	83.7599	3/3/2017	81.9603	5/5/2017	83.1308
3	4/1/2017	83.533	6/3/2017	81.9762	8/5/2017	83.2553
4	5/1/2017	83.7051	7/3/2017	81.5342	9/5/2017	83.5295
5	6/1/2017	84.0976	8/3/2017	81.3162	11/5/2017	83.415
6	9/1/2017	83.1259	9/3/2017	81.1665	12/5/2017	82.869
7	10/1/2017	82.6979	10/3/2017	81.0526	15-05-2017	82.8351
8	11/1/2017	82.9579	14-03-2017	80.5014	16-05-2017	82.7795
9	12/1/2017	83.194	15-03-2017	80.0654	17-05-2017	82.7669
10	13-01-2017	82.9757	16-03-2017	80.2649	18-05-2017	83.3063
11	16-01-2017	81.9982	17-03-2017	80.9957	19-05-2017	84.1823
12	17-01-2017	82.4573	20-03-2017	81.0157	22-05-2017	83.9515
13	18-01-2017	83.8403	21-03-2017	80.6273	23-05-2017	84.0327
14	19-01-2017	83.6936	22-03-2017	81.6833	24-05-2017	84.0957
15	20-01-2017	84.1231	23-03-2017	81.8495	25-05-2017	83.7711
16	23-01-2017	84.6492	24-03-2017	81.6721	26-05-2017	83.1848
17	24-01-2017	85.1485	27-03-2017	81.6479	29-05-2017	82.8195
18	25-01-2017	85.3104	29-03-2017	80.4795	30-05-2017	82.7892
19	27-01-2017	85.4941	30-03-2017	80.7501	31-05-2017	82.6446
20	30-01-2017	85.5159	31-03-2017	80.8797	1/6/2017	82.8703
21	31-01-2017	84.847	3/4/2017	81.43	2/6/2017	82.9225
22	1/2/2017	84.9496	5/4/2017	80.8755	5/6/2017	82.7972
23	2/2/2017	85.4903	6/4/2017	81.1524	6/6/2017	83.1616
24	3/2/2017	84.3225	7/4/2017	80.2592	7/6/2017	83.2485
25	6/2/2017	83.9208	10/4/2017	79.8563	8/6/2017	83.4303
26	7/2/2017	83.9488	11/4/2017	80.1376	9/6/2017	81.7495
27	8/2/2017	84.1659	12/4/2017	80.8132	12/6/2017	82.0859
28	9/2/2017	83.819	13-04-2017	80.8265	13-06-2017	81.7424
29	10/2/2017	83.7713	17-04-2017	80.7192	14-06-2017	82.1098
30	13-02-2017	83.7614	18-04-2017	81.1785	15-06-2017	81.9121
31	14-02-2017	83.9811	19-04-2017	82.7458	16-06-2017	82.5116
32	15-02-2017	83.4149	20-04-2017	82.8057	19-06-2017	82.2053
33	16-02-2017	83.4358	21-04-2017	82.7014	20-06-2017	82.1506
34	17-02-2017	83.7614	24-04-2017	82.458	21-06-2017	81.5348
35	20-02-2017	83.1923	25-04-2017	82.2689	22-06-2017	81.799
36	22-02-2017	83.6921	26-04-2017	82.1265	23-06-2017	81.9743
37	23-02-2017	83.1228	27-04-2017	82.5854	27-06-2017	82.0798
38	27-02-2017	82.8923	28-04-2017	82.8271	28-06-2017	82.6614
39	28-02-2017	83.0548	2/5/2017	82.6925	29-06-2017	83.5615
40	1/3/2017	82.718	3/5/2017	82.7969	30-06-2017	84.2564
S.No	Date	GBP	Date	GBP	Date	GBP
1	3/7/2017	84.1718	31-08-2017	82.6951	31-10-2017	85.5995
2	4/7/2017	83.9118	1/9/2017	82.6627	1/11/2017	85.6706



3	5/7/2017	83.6065	4/9/2017	82.9662	2/11/2017	85.786
4	6/7/2017	83.8226	5/9/2017	82.8192	3/11/2017	84.4272
5	7/7/2017	83.8826	6/9/2017	83.6395	6/11/2017	84.6366
6	10/7/2017	83.2766	7/9/2017	83.4664	7/11/2017	85.3371
7	11/7/2017	83.0857	8/9/2017	83.8757	8/11/2017	85.5724
8	12/7/2017	82.6915	11/9/2017	84.2591	9/11/2017	85.2548
9	13-07-2017	83.248	12/9/2017	84.3594	10/11/2017	85.5463
10	14-07-2017	83.5451	13-09-2017	85.1534	13-11-2017	85.8209
11	17-07-2017	84.2173	14-09-2017	84.6867	14-11-2017	85.9388
12	18-07-2017	84.2917	15-09-2017	86.12	15-11-2017	85.9143
13	19-07-2017	83.8554	18-09-2017	87.0841	16-11-2017	86.0483
14	20-07-2017	83.9166	19-09-2017	86.8121	17-11-2017	85.785
15	21-07-2017	83.5369	20-09-2017	87.0262	20-11-2017	85.9331
16	24-07-2017	83.8164	21-09-2017	87.1547	21-11-2017	86.1892
17	25-07-2017	83.8778	22-09-2017	88.3061	22-11-2017	85.8523
18	26-07-2017	83.8308	25-09-2017	87.9367	23-11-2017	86.3327
19	27-07-2017	84.2109	26-09-2017	88.0744	24-11-2017	86.0364
20	28-07-2017	83.8867	27-09-2017	88.1426	27-11-2017	86.1605
21	31-07-2017	84.1591	28-09-2017	87.9808	28-11-2017	85.8469
22	1/8/2017	84.6214	29-09-2017	87.7067	29-11-2017	86.1428
23	2/8/2017	84.6416	3/10/2017	86.8707	30-11-2017	86.798
24	3/8/2017	84.1589	4/10/2017	86.6266	4/12/2017	86.636
25	4/8/2017	83.7074	5/10/2017	86.2145	5/12/2017	86.6378
26	7/8/2017	83.1583	6/10/2017	85.3112	6/12/2017	86.4939
27	8/8/2017	83.1465	9/10/2017	85.6311	7/12/2017	86.3142
28	9/8/2017	82.9248	10/10/2017	85.9412	8/12/2017	87.0405
29	10/8/2017	83.0053	11/10/2017	86.1161	11/12/2017	86.3282
30	11/8/2017	83.2661	12/10/2017	86.2319	12/12/2017	86.0466
31	14-08-2017	83.2777	13-10-2017	86.3051	13-12-2017	85.941
32	16-08-2017	82.6162	16-10-2017	86.0082	14-12-2017	86.3535
33	18-08-2017	82.6183	17-10-2017	86.0354	15-12-2017	86.1319
34	21-08-2017	82.3983	18-10-2017	85.7425	18-12-2017	85.5437
35	22-08-2017	82.5992	23-10-2017	85.8381	19-12-2017	85.7932
36	23-08-2017	82.2303	24-10-2017	85.7927	20-12-2017	85.7604
37	24-08-2017	81.9361	25-10-2017	85.4814	21-12-2017	85.6284
38	28-08-2017	82.3605	26-10-2017	85.884	22-12-2017	85.6739
39	29-08-2017	82.8833	27-10-2017	85.3826	26-12-2017	85.672
40	30-08-2017	82.6209	30-10-2017	85.375	27-12-2017	85.8366
41					28-12-2017	86.221
42					29-12-2017	86.0653

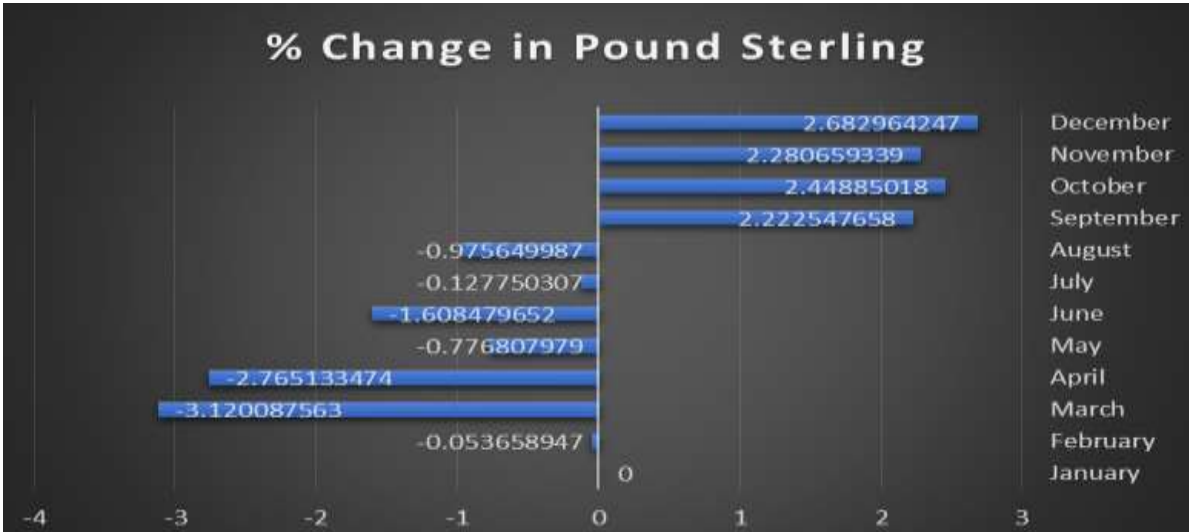
Calculation of monthly average rates of Pound Sterling

Average monthly rate = sum of rates / no of days in a month

Percentage change in Pound Sterling (monthly): = current month rate –base rate / base rate



Monthly Average Rates of pound sterling (January - December 2017)		% change in pound sterling	
January	83.86150476	0	0
February	83.81650556	-0.000536589	-0.053658947
March	81.24495238	-0.031200876	-3.120087563
April	81.54262222	-0.027651335	-2.765133474
May	83.2100619	-0.00776808	-0.776807979
June	82.51260952	-0.016084797	-1.608479652
July	83.75437143	-0.001277503	-0.127750307
August	83.04331	-0.0097565	-0.975649987
September	85.72536667	0.022225477	2.222547658
October	85.91514737	0.024488502	2.44885018
November	85.7741	0.022806593	2.280659339
December	86.11147895	0.026829642	2.682964247



**Interpretation:**

The above table and bar diagram showing monthly average rates and % change in value of currency 2017. The value of January 2017 is considered as base rate which is 83.86150476. There is a slight decrease in February, May, July and August. There is a highest decrease at 3.12% in March. There is a decrease of 2.76% & 1.6% in April and June respectively. There is an increase of 2.2% to 2.68% from September to December.

**Euro:** The euro (sign: €; code: EUR) is the official currency of the European Union. Currently 19 of 28 member states use the euro (Eurozone). It is the second most traded currency in the foreign exchange market after the dollar. The euro is subdivided into 100 cents. The European Commission then chose the design created by the Belgian Alain Billet. Of the symbol, the EC stated. Inspiration for the € symbol itself came from the Greek epsilon(€)[note 14]





**Exchange rate of EURO ( 1-01-2017 to 31-12-2017) with reference to Indian rupee**

S.NO	Date	EURO	Date	EURO	Date	EURO
1	2/1/2017	71.5121	2/3/2017	70.3074	4/5/2017	69.9392
2	3/1/2017	71.3818	3/3/2017	70.3509	5/5/2017	70.5972
3	4/1/2017	70.9949	6/3/2017	70.7346	8/5/2017	70.4957
4	5/1/2017	71.5574	7/3/2017	70.5595	9/5/2017	70.4669
5	6/1/2017	71.8662	8/3/2017	70.4011	11/5/2017	70.1472
6	9/1/2017	71.8206	9/3/2017	70.3229	12/5/2017	69.8859
7	10/1/2017	72.182	10/3/2017	70.6426	15-05-2017	70.1332
8	11/1/2017	72.3213	14-03-2017	70.4354	16-05-2017	70.5539
9	12/1/2017	72.2322	15-03-2017	69.6224	17-05-2017	71.1598
10	13-01-2017	72.475	16-03-2017	70.1893	18-05-2017	71.6214
11	16-01-2017	72.4155	17-03-2017	70.6074	19-05-2017	72.2955
12	17-01-2017	72.5014	20-03-2017	70.3779	22-05-2017	72.2333
13	18-01-2017	72.5968	21-03-2017	70.295	23-05-2017	72.7489
14	19-01-2017	72.5194	22-03-2017	70.7206	24-05-2017	72.473
15	20-01-2017	72.7319	23-03-2017	70.6688	25-05-2017	72.4692
16	23-01-2017	73.1498	24-03-2017	70.4656	26-05-2017	72.3329
17	24-01-2017	73.2347	27-03-2017	70.6739	29-05-2017	72.1354
18	25-01-2017	73.0901	29-03-2017	70.1061	30-05-2017	71.8338
19	27-01-2017	72.7467	30-03-2017	69.8739	31-05-2017	72.143
20	30-01-2017	72.9621	31-03-2017	69.2476	1/6/2017	72.4518
21	31-01-2017	72.5526	3/4/2017	69.2788	2/6/2017	72.2673
22	1/2/2017	72.9154	5/4/2017	69.4017	5/6/2017	72.4886
23	2/2/2017	72.7966	6/4/2017	69.3912	6/6/2017	72.5178
24	3/2/2017	72.4429	7/4/2017	68.559	7/6/2017	72.6588
25	6/2/2017	72.4035	10/4/2017	68.2503	8/6/2017	72.5092
26	7/2/2017	72.0716	11/4/2017	68.3067	9/6/2017	71.9823
27	8/2/2017	71.8759	12/4/2017	68.6706	12/6/2017	72.1324
28	9/2/2017	71.5423	13-04-2017	68.6193	13-06-2017	72.1465
29	10/2/2017	71.3344	17-04-2017	68.4049	14-06-2017	72.1283
30	13-02-2017	71.1718	18-04-2017	68.7431	15-06-2017	72.1094
31	14-02-2017	71.0877	19-04-2017	69.1915	16-06-2017	72.0482
32	15-02-2017	70.8207	20-04-2017	69.3355	19-06-2017	72.1043
33	16-02-2017	71.0239	21-04-2017	69.1675	20-06-2017	71.9583
34	17-02-2017	71.5053	24-04-2017	69.9884	21-06-2017	71.9413
35	20-02-2017	71.056	25-04-2017	69.8569	22-06-2017	72.0732
36	22-02-2017	70.5403	26-04-2017	70.043	23-06-2017	72.0808
37	23-02-2017	70.5444	27-04-2017	69.8908	27-06-2017	72.1921
38	27-02-2017	70.5149	28-04-2017	69.8809	28-06-2017	73.3757
39	28-02-2017	70.7151	2/5/2017	70.0436	29-06-2017	73.5233
40	1/3/2017	70.5716	3/5/2017	70.0323	30-06-2017	74.0019



S.NO	Date	EURO	Date	EURO	Date	EURO
1	3/7/2017	73.8567	31-08-2017	76.0439	31-10-2017	75.4234
2	4/7/2017	73.5995	1/9/2017	76.1047	1/11/2017	75.0755
3	5/7/2017	73.5035	4/9/2017	76.1516	2/11/2017	75.2831
4	6/7/2017	73.4322	5/9/2017	76.2921	3/11/2017	75.3348
5	7/7/2017	73.8811	6/9/2017	76.5438	6/11/2017	75.1801
6	10/7/2017	73.5826	7/9/2017	76.3593	7/11/2017	75.2273
7	11/7/2017	73.4361	8/9/2017	77.0357	8/11/2017	75.3841
8	12/7/2017	73.9715	11/9/2017	76.7334	9/11/2017	75.3061
9	13-07-2017	73.7884	12/9/2017	76.5514	10/11/2017	75.7356
10	14-07-2017	73.5677	13-09-2017	76.663	13-11-2017	76.2161
11	17-07-2017	73.6933	14-09-2017	76.1398	14-11-2017	76.4781
12	18-07-2017	74.1469	15-09-2017	76.3995	15-11-2017	77.0634
13	19-07-2017	74.2265	18-09-2017	76.4923	16-11-2017	76.9981
14	20-07-2017	74.188	19-09-2017	77.0187	17-11-2017	76.5574
15	21-07-2017	74.8796	20-09-2017	77.2493	20-11-2017	76.3633
16	24-07-2017	75.1287	21-09-2017	76.7403	21-11-2017	76.3878
17	25-07-2017	75.0607	22-09-2017	77.7566	22-11-2017	76.0757
18	26-07-2017	74.9214	25-09-2017	77.3036	23-11-2017	76.6264
19	27-07-2017	75.2082	26-09-2017	77.431	24-11-2017	76.7213
20	28-07-2017	74.9829	27-09-2017	77.3686	27-11-2017	77.1421
21	31-07-2017	75.2203	28-09-2017	77.1764	28-11-2017	76.6992
22	1/8/2017	75.7415	29-09-2017	77.0603	29-11-2017	76.3209
23	2/8/2017	75.7488	3/10/2017	76.7756	30-11-2017	76.4887
24	3/8/2017	75.3905	4/10/2017	76.8266	4/12/2017	76.3739
25	4/8/2017	75.6609	5/10/2017	76.5685	5/12/2017	76.3762
26	7/8/2017	75.1019	6/10/2017	76.2641	6/12/2017	76.2791
27	8/8/2017	75.2876	9/10/2017	76.599	7/12/2017	76.0848
28	9/8/2017	74.8606	10/10/2017	76.8302	8/12/2017	75.7978
29	10/8/2017	75.0635	11/10/2017	77.1677	11/12/2017	75.8051
30	11/8/2017	75.4567	12/10/2017	77.2741	12/12/2017	75.9292
31	14-08-2017	75.7035	13-10-2017	76.8772	13-12-2017	75.7768
32	16-08-2017	75.3761	16-10-2017	76.3912	14-12-2017	75.998
33	18-08-2017	75.2078	17-10-2017	76.4204	15-12-2017	75.5241
34	21-08-2017	75.2143	18-10-2017	76.5423	18-12-2017	75.4277
35	22-08-2017	75.6497	23-10-2017	76.5136	19-12-2017	75.6365
36	23-08-2017	75.4072	24-10-2017	76.3395	20-12-2017	75.8251
37	24-08-2017	75.5805	25-10-2017	76.59	21-12-2017	76.0344
38	28-08-2017	76.2162	26-10-2017	76.6063	22-12-2017	75.8821
39	29-08-2017	76.7505	27-10-2017	75.6837	26-12-2017	76.0255
40	30-08-2017	76.4504	30-10-2017	75.4271	27-12-2017	76.2258



Monthly Average Rates of Euro (January - December 2017)		% Change in EURO	
January	72.32592857		
February	71.46459444	-0.011909064	-1.19090642
March	70.34164286	-0.02743533	-2.743532995
April	69.16556111	-0.043696189	-4.369618922
May	71.22577619	-0.015211037	-1.521103707
June	72.41388095	0.001216056	0.121605602
July	74.20360952	0.025961381	2.596138051
August	75.595605	0.045207528	4.520752783
September	76.78911429	0.061709345	6.170934549
October	76.48002632	0.057435802	5.743580244
November	76.12114091	0.052473745	5.247374507
December	75.99746842	0.050763812	5.076381212



**Interpretation:**The above table and bar diagram showing monthly average rates and % change in value of currency 2017.the value of January 2017 is considered as base rate which is 72.32592857. There is a decrease of 1.19% in February. Which raised to 2.74% in March and 4.36% in April and fall in May at 1.52%. The value of EURO has increased by 0.12% in June. There is a positive increase in EURO at 2.59% in July and 4.5% in august. There is a highest increase in September at 6.17%. And 5% to 5.74% increase in October November and December.

**FINDINGS**

Based on the above computation it is found that the foreign exchange monthly average rates and their respective % changes vary every month.

1. The US Dollar is decreasing from February to December That is 1.47% to 6.03%.
2. The value of pound is decreasing in first seven months (February to August) i.e. 0.05% to 3.12%. later increased in next four months from September to December i.e. 2.22% to 2.68%
3. The value of Euro is decreasing in first four months from February to May i.e. 1.19% to 4.36%. the value of euro has started increasing from June. And there is a positive change in value till December i.e. from 0.12% to 6.17%.
4. The value of US Dollar in all the months has decreased as compared to pound currency in first seven months the rates has decreased after ward in next four months the rates are increasing and in euro first four months value is decreasing and there is a very good improvement in euro rate in next seven months the rates has increased.



## CONCLUSION

Based on the above findings it is clear that the exchange rates keeps changing at regular intervals. At the time of investment we should consider proper risk evaluation techniques.

\*\* US Dollar is decreasing from the start of January 2107 till December 2017.as the value of the currency is decreasing it is quit risky to invest in US Dollar

\*\* Pound sterling value is decreasing from start i.e. February to august and increasing from September to December.As the value of the currency is fluctuating the decision making process regarding investment becomes difficult.

\*\* The value of EURO is Rs72.325/Euro in Januarywhich is decreasing from next month that is February till May. And increasing from June to December. As the value of the currency is fluctuating the decision making process regarding investment becomes difficult.

\*\* As the values of the currency keeps fluctuating it becomes necessary to properly analyze the foreign exchange risk for making investment decision.

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