

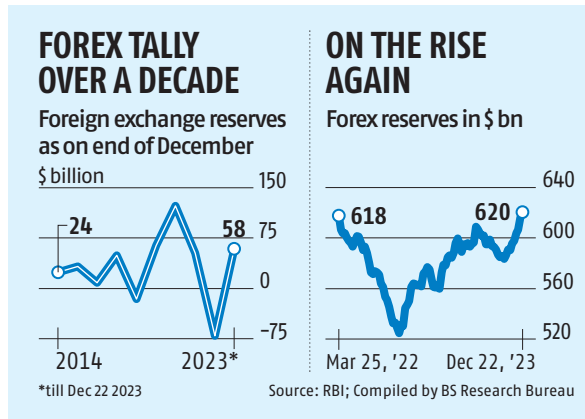
Forex reserves recover in '23 after a yr of decline

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India's foreign exchange reserves rose by \$4 billion to \$620 billion in the week ended December 22, according to data released by the Reserve Bank of India on Friday. In the current calendar year, the central bank has added \$57.59 billion to its kitty as of December 22.

The total reserves in the recent week increased due to the \$4.6 billion rise in foreign currency assets. In the previous week, the reserves had surged to \$616 billion, marking it as the highest level since March 25, 2022. During the week, the reserves jumped \$9 billion, represent-



ing the second-highest weekly surge in the current financial year.

During the current financial year so far, India's

reserves were the fourth highest among major foreign exchange reserves holding countries, having increased by \$28.4 billion.



This recovery comes after a challenging 2022, during which India's foreign exchange reserves decreased by \$70 billion.

The domestic market saw robust foreign inflows in 2023 that kept the rupee afloat during global uncertainties. The RBI remained active in the market throughout the year to curb the volatility in the exchange rate.

The rupee showed stability against the US dollar in the current calendar year, marking the least volatility witnessed in over three decades. The local currency experienced a marginal depreciation of 0.5 per cent against the greenback. In the current financial year, the rupee has depreciated by 1.2 per cent. In 2022, the rupee experienced a 10 per cent depreciation against the US dollar.

