

## DOLLAR INDEX RISES

# Rupee Falls 6 Paise to 81.88 Against Dollar

PTI

**Mumbai:** The rupee consolidated in a narrow range and settled 6 paise lower at 81.88 against the American currency on Tuesday as investors preferred to stay on the sidelines ahead of the US Fed meeting outcome.

The local unit opened on a positive note at 81.75 but pared early gains to settle 6 paise lower at 81.88 against the US dollar despite a firm trend in domestic equities.

During the day, the rupee touched a high of 81.72 and a low of 81.95 against the American currency.

On Friday, the rupee closed at 81.82 against the US currency. Forex and equity markets were closed on Monday on account of 'Maharashtra Day'.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, rose 0.15 per cent to 102.30.

Brent crude futures, the global oil benchmark, declined 0.55 per cent to USD 78.87 per barrel.

Forex traders said investors are waiting for cues from the US FOMC meeting beginning later in the day. The market now awaits the Federal Open Market Committee (FOMC) outcome on May 3.



The rupee weakened throughout the day as traders and hedgers bet on the dollar ahead of the FOMC policy decision tomorrow, Dilip Parmar, Research Analyst, HDFC Securities said.

"Spot USD/INR is expected to hold support at 81.50, the 200-day simple moving average and resistance at 82.30. We are expecting a short covering rally in the near term before breaking the long-term support line," Parmar said.

This week will be a holiday shortened as the market remains open only for three trade sessions.