

DOLLAR INDEX WEAK

Rupee Rises 5 Paise to Close at 82.55 Against Dollar

PTI

Mumbai: The rupee gained 5 paise to settle at 82.55 against the US dollar on foreign fund inflows and risk-on sentiments ahead of the Reserve Bank of India's monetary policy decision on Thursday.

At the interbank foreign exchange market, the local unit opened at 82.50 against the US dollar and settled at 82.55 (provisional), up 5 paise over its previous close.

During the day, the domestic unit witnessed an intra-day high of 82.46 and a low of 82.57.

On Tuesday, the rupee closed at 82.60 against the US currency.

The dollar index, which gauges the greenback's strength against a basket of six currencies, fell 0.10 per cent to 104.02.

Global oil benchmark Brent crude futures advanced 0.51 per cent to USD 76.68 per barrel.

According to Dillip Parmar, Research Analyst, HDFC Securities, the Indian rupee strengthened for the second day in a row following dollar inflows and risk-

on sentiments ahead of the RBI monetary policy decision.

RBI is scheduled to announce its bi-monthly monetary policy meeting's outcome on Thursday. RBI is largely expected to leave the repo rate unchanged at 6.5 per cent.

"The market is pricing in a pause for a second straight meeting as inflation eases. All eyes will be on a policy stance which might support growth as inflation could cool further in the months ahead on an expectation of better monsoons and lower commodity prices," Parmar said.

Parmar further added that Spot USDINR is expected to remain calm within the range of 82.20 to 82.90.



RBI is largely expected to leave the repo rate unchanged at 6.5% at its bi-monthly monetary policy meeting on Thursday