

'TRADING IN A NARROW RANGE'

Rupee Gains 3 Paise to Close at 82.58 a Dollar

PTI

New Delhi: The rupee consolidated in a narrow range and settled for the day higher by 3 paise at 82.58 against the US dollar on Monday, amid a muted trend in domestic equities.

Rupee is trading in a narrow range as the softness in the US dollar and sustained FII inflows were negated by risk aversion in global markets, forex traders said.

At the interbank foreign exchange market, the local unit opened at 82.65 against the US dollar and settled at 82.58, up 3 paise over its previous close.

During the day, the domestic unit witnessed an intra-day high of 82.55 and a low of 82.65.

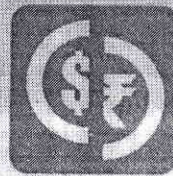
On Friday, the rupee had settled at 82.61 against the dollar.

The dollar index, which gauges the greenback's strength against a

basket of six currencies, rose 0.11 per cent to 102.38.

Brent crude futures, the global oil benchmark, declined 0.74 per cent to USD 77.89 per barrel.

"We expect the rupee to trade with a negative bias on risk aversion in global markets and rising bond yields in the major global economies



and expectations of further rate hikes to tame inflation. However, some softness in the US dollar and sustained

FII inflows may support rupee at lower levels," Anuj Choudhary - Research Analyst at Sharekhan by BNP Paribas.

Choudhary further noted that market participants may remain cautious ahead of India's inflation and IIP data and US inflation and PPI data this week.

"We expect the USDINR spot to trade between 82.20 to 83.20 in the near-term," he said.