

DOLLAR INDEX GAINS

# Rupee Settles Near All-time Low at 84.84 to US Dollar

PTI

Mumbai: The rupee settled for the day higher by 2 paise at 84.83 against the US dollar on Wednesday, a tad above its all-time low level, amid rising expectations of a shift in the Reserve Bank's monetary policy stance post the appointment of Sanjay Malhotra as the new RBI governor.

Forex traders said the Indian rupee touched a fresh all-time low of 86.87 in intraday trade as change of guard at the Reserve Bank of India raised odds of a rate cut by the Reserve Bank of India (RBI) in its February meeting.

A bounce back in the US dollar from earlier lows also weighed on the rupee. However, positive domestic markets, FII inflows and reports of RBI intervention supported the rupee earlier in the day.



At the interbank foreign exchange, the rupee opened at an all-time low of 84.87 against the greenback. The USD/INR pair traded in a tight range and ended the session at 84.83 against the dollar, higher by just 2 paise from its previous close.

On Tuesday, the rupee settled on a flat note, higher by just 1 paisa at 84.85 against the US dollar.

The government on Monday appointed revenue secretary

Sanjay Malhotra as the 26th Governor of the Reserve Bank of India.

Malhotra takes guard at a time when the Indian economy is faced with the dual challenge of slowing growth rate and high inflation.

While Shaktikanta Das kept benchmark interest rates unchanged for almost two years in a bid to control inflation, the incoming governor is said to be a team player who believes prices cannot be managed by the Reserve Bank of India (RBI) alone and the task needs government help as well.

CMYK