

Rupee at all-time closing low

Our Bureau

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The rupee ended almost flat on Wednesday despite robust dollar demand from corporates, especially oil companies, as RBI likely intervened in the non-deliverable forward market to prevent it from depreciating to a new low. The rupee closed at 83.5450 per dollar against Tuesday's 83.5650, which was an all time closing low. Traders said that the RBI probably sold dollars in the NDF market to stem the rupee's fall in the spot market.

To a question on the proposed expansion of RBI's intervention kit, Governor Shaktikanta Das, at the last monetary policy press meet, said: "Our intervention in the NDF (non-deliverable forward) market has also undergone a change. We are now very clear and explicit that the RBI is there in the forward market, and we are there."

NARROW RANGE

In his monetary policy statement, Das emphasised that the rupee moved in a narrow range with low volatility during 2024-25 so far (up to June 5), despite trading under pressure amidst foreign portfolio investment outflows. The relative stability of the rupee bears testimony to India's sound and resilient economic fundamentals, macroeconomic and financial stability, and improvement in the external outlook, he added. Meanwhile, the 10-year benchmark opened little changed at 7.01 per cent despite a fall in treasury yields overnight.