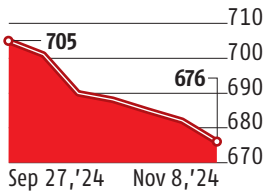


Forex kitty drops \$29 bn in six weeks

FOREX RESERVES (\$bn)



Source: RBI

Compiled by BS Research Bureau

India's foreign exchange reserves declined \$6.48 billion in the week ended November 8 to touch \$675.7 billion. This marks the sixth straight week of weakening forex reserves. The decline was mainly due to the Reserve Bank of India's (RBI's) intervention in the forex market as the rupee came under pressure due to sustained foreign investment outflows.

Foreign currency assets fell by \$4.5 billion while value of gold reserves fell by \$1.9 billion. In the past six weeks, forex reserves have fell \$29 billion, after hitting an all time high of \$705 billion in the week ended September 27. In this period, the rupee fell 0.8 per cent against the dollar. The Indian unit hit a fresh low on Thursday, closing at 84.41 a dollar. Foreign exchange markets were closed on Friday. **BS REPORTER**