

# Rupee Falls 4 Paise to Settle at 82.90 Against Dollar on Firm Crude Prices

Dollar gained on rising expectations of a pushback in rate cut by the US Fed

PTI

**Mumbai:** The rupee declined by 4 paise to settle at 82.90 against the US currency on Monday on firm crude oil prices. Gains in domestic stock markets and foreign fund inflows capped the rupee's losses, analysts said.

The local unit opened firm at 82.84 to a dollar at the interbank foreign exchange market and inched up to the day's high of 82.83 in early deals.

However, the rupee gave up early gains as the US dollar and bond yields remained at higher levels ahead of the Federal Reserve's meeting this week.

The rupee dropped to a low of 82.91 before settling at 82.90, down by 4 paise over the previous close. On Friday, the rupee had settled at 82.86.

The US dollar index, which measures



the greenback's strength against a basket of six currencies, was almost flat at 103.40.

Brent Crude, the global oil benchmark, gained nearly 1 per cent to trade above the USD 86-level in global markets.

Anuj Choudhary Research Analyst, Sharekhan by BNP Paribas, said the rupee depreciated on a strong US Dollar and surge in crude oil prices.

"The US Dollar strengthened on rising market expectations of a pushback in rate cut by the US Federal Reserve. We expect the rupee to trade with a slight negative bias on the strong Dollar and some selling pressure from foreign investors."

Worries over rising global crude oil prices may also weigh on the rupee, he added.

Meanwhile, domestic stock markets closed higher in a volatile market. Benchmark BSE Sensex climbed 104.99 points to settle at 72,748.42, while broader Nifty rose by 32.35 points to 22,055.70.

Foreign Institutional Investors (FIIs) bought equities worth Rs 848.56 crore on Friday, according to exchange data.

FPIs bought shares worth Rs 40,710 crore in the first fortnight of the month amid an improvement in the global economic landscape and robust domestic macroeconomic outlook.