

₹ ends almost flat, at ₹79.77 against the US dollar

AGENCIES

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The Indian rupee ended almost flat against the US dollar on Monday, with just 3 paise fall, at 79.77.

At the interbank foreign exchange market, rupee ended at 79.77, against 79.74 on the previous trading session against the US dollar.

"A mostly lacklustre day, as demand from oil marketing companies and supply from exporters balanced the market. Over this week, the market moving event will be Fed meeting, where the central bank is expected to hike by 75 bps and sound quite hawkish," said Anindya Banerjee, VP, Currency Derivatives & Interest Rate Derivatives at Kotak Securities Ltd.

Dollar index, which gauges the strength of greenback against the basket of six major currencies, was at 109.870. Brent crude oil prices were at \$90.02 a barrel by the closing of Indian market hours.

Dilip Parmar, Research Analyst, HDFC Securities, said that the rupee becomes an outlier among the Asian cur-



rencies amid the foreign fund inflows, lower crude oil prices and risk-on sentiments.

"King Dollar has been on a rampage against the Chinese yuan and further weakening of the yuan will be a dangerous sign for risk markets and Asian currencies. Along with the weak regional currencies, the rupee depreciated against the US dollar for the fourth day in a row. However, the momentum remained lacklustre in the rupee as the economy is better placed among Asian countries," he said.

On the overseas front, risk assets extend declines and the dollar rallies against major trading partners ahead of a

busy week for global central banks.

"In the near term, spot USDINR is expected to trade in the range of 79.05 to 79.90," Parmar added.

Meanwhile, benchmark indices ended up on Monday with Sensex rising more than 300 points and Nifty by over 90.

At close, Sensex ended 300.44 points, or 0.51 per cent, up at 59,141.23, and Nifty closed up 91.40 points, or 0.52 per cent, up at 17,622.45. Mahindra & Mahindra, Bajaj Finance, Hindustan Unilever, State Bank of India, and Nestle were major gainers on the Sensex.