

DOLLAR INDEX STRONG

Rupee Rises 7 P to Close at 83.37 per US Dollar

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Mumbai: The rupee rises by 7 paise to close at 83.37 against the US dollar on Monday on positive domestic markets and a soft American currency.

Forex traders said a decline in crude oil prices also supported the local unit.

At the interbank foreign exchange market, the local unit opened at 83.40 against the greenback. The unit hit an intra-day high of 83.32 and a low of 83.45 against the greenback.

The domestic unit finally settled at 83.37 against the dollar, 7 paise higher from its previous close.

On Friday, the rupee appreciated by 8 paise to close at 83.44 against the US dollar.

"We expect the rupee to trade with a slight positive bias amid easing of geopolitical tensions in



the Middle East which improved global risk sentiments. Retreating US Dollar and crude oil prices

the Middle East which improved global risk sentiments. Retreating US Dollar and crude oil prices may also support the rupee.

"However, any fresh aggressions in the Middle East may cap sharp upside. Investors may remain cautious ahead of PMI and inflation data from the US this week. US-DINR spot price is expected to trade in a range of Rs 83.10 to Rs 83.60," said Anuj Choudhary Research Analyst, Sharekhan by BNP Paribas.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.02 per cent higher at 106.17.

US Dollar eased as the tensions between Israel and Iran seem contained over the weekend. The Dollar still managed to stay above the 106 mark on a hawkish US Federal Reserve, Choudhary added.

Brent crude futures, the global oil benchmark, fell 0.69 per cent to USD 86.69 per barrel.

On the domestic equity market front, Sensex advanced 560.29 points, or 0.77 per cent, to settle at 73,648.62 points. The Nifty rose 189.40 points, or 0.86 per cent, to close at 22,336.40 points.

Foreign institutional investors (FIIs) were net buyers in the capital markets on Friday as they purchased shares worth Rs 129.39 crore, according to exchange data.

Meanwhile, India's forex reserves dropped by USD 5.401 billion to USD 643.162 billion for the week ended April 12, the Reserve Bank said on Friday. The overall reserves increased USD 2.88 billion to a new high of USD 648.562 billion in the previous reporting week.