

DOLLAR INDEX STRONG

Rupee Falls 4 Paise to Close at 83.94 Against Dollar

PTI

Mumbai: The rupee traded in a narrow range and settled lower by 4 paise at 83.94 against the American currency on Thursday, as relentless dollar demand from importers and relentless foreign fund outflows dampened investor sentiments.

However, a positive trend in domestic equities and lower global crude oil prices supported the domestic currency and restricted its fall, forex traders said.

At the interbank foreign exchange market, the local unit opened weak at 83.93 and touched an intraday low of 83.97 against the US dollar.

The domestic currency finally settled at 83.94, 4 paise lower from its previous close.


On Wednesday, the rupee fell 13 paise to 83.90 against the US dollar.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.19 per cent higher at 101.23.

Traders will now take cues from the weekly unemployment claims, existing home sales and PMI data from the US.



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"Investors may remain cautious ahead of Fed Chair Jerome Powell's speech at Jackson Hole Symposium for any cues on rate cuts by the central bank. USD/INR spot price is expected to trade in a range of Rs 83.75 to Rs 84.20," Choudhary added.

Brent crude, the global oil benchmark, advanced 0.38 per cent to USD 76.34 per barrel.

On the domestic equity market front, Sensex advanced 147.89 points, or 0.18 per cent, to close at 81,053.19 points. The Nifty rose 41.30 points, or 0.17 per cent, to 24,811.50 points.

Foreign Institutional Investors (FIIs) were net sellers in the capital markets on Wednesday as they offloaded shares worth Rs 799.74 crore, according to exchange data.

Meanwhile, the Federal Reserve's recent meeting minutes revealed that most officials are inclined towards a rate cut in September, and this has put downward pressure on the US dollar and offered some support to the rupee.

Traders will now focus on cues from the Jackson Hole symposium, where Fed Chair Jerome Powell's remarks could set the tone for global currency markets.