

At \$3.9 bn in August, RBI turns net seller of dollar for 1st time in FY24

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The Reserve Bank of India (RBI) became a net seller of the US dollar for the first time in the current financial year in August, according to the latest data.

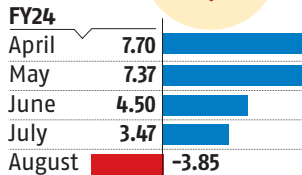
The RBI sold a net total of \$3.9 billion worth of foreign currency in August. The central bank bought \$5 billion, while it sold \$43.6 billion of foreign currency in August. In August 2022, the central bank had sold \$4.3 billion. The RBI had sold \$25.5 billion in the previous financial year (FY23).

The rupee depreciated by 0.6 per cent in August. In July, the RBI had recorded a net purchase of \$3.4 billion in the spot market.

The RBI's net outstanding forward purchase by the end of August stood at \$10.07 billion, against \$19.47 billion in July.

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Net sale/purchase* of US dollar by the RBI (\$ bn)



* +/- : buy/sale



In the current financial year, the rupee has depreciated by 1.3 per cent. It fell 7.8 per cent in the previous financial year (FY23). In calendar year 2023, the rupee has depreciated by 0.6 per cent. The local currency had appreciated by 0.16 per cent in the first six months of the calendar year.

Forex kitty up by \$1 bn at \$585 bn

After multiple weeks of decline, India's forex reserves increased by \$1.153 billion to \$585.895 billion during the week ended October 13, according to the RBI data.

In the previous reporting week, the overall reserves had dropped by \$2.166 billion to \$584.742 billion. In October 2021, the country's forex kitty reached an all-time high of \$645 billion. **PTI**

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