

₹ logs best day in 30 mths, rises nearly 1% against \$

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Mumbai, 23 May

The rupee on Friday posted its biggest single day gain against the US dollar in over two and a half years, rising 0.9 per cent to 85.21 per dollar amid a broad-based weakness in the greenback owing to rising concerns over the US fiscal outlook.

This surge for the rupee, which had closed at 86 against the dollar on Thursday, is the steepest recorded since November 11, 2022. Friday's gain wiped out all the losses for the Indian currency in 2025.

Market participants said the Reserve Bank of India (RBI) sold approximately \$1 billion, further aiding the rupee's rally that was also supported by traders unwinding long dollar positions.

"This upward movement was primarily fuelled by a weaker US dollar and a strong performance in the domestic equity market," said Dilip Parmar, Senior Research Analyst, HDFC Securities. The Sensex gained 0.95 per cent to close at 81,721.08 points. The dollar index, which measures the strength of the greenback against a basket of six major currencies, fell 0.5 per cent to 99.35 on Friday.

Turn to Page 6 ►



Wild swings

	₹ vs \$ (spot)	M-o-M chg (%)	
Jan 31	86.62	-1.16	
Feb 28	87.51	-1.02	
Mar 31	85.47	2.39	
Apr 30	84.49	1.16	
May 23	85.22	-0.85*	

*change vs April 30 level

Best sessions in 2025

	₹ vs \$ (spot)	1-day chg (%)	
May 23	85.22	0.93	
Apr 30	84.49	0.90	
Apr 11	86.05	0.75	

0.46%: Rupee vs dollar YTD change

Source: Bloomberg
Compiled by BS Research Bureau

₹ appreciated by 0.5% in 2025 so far

Dollar inflows from anchor investors ahead of two IPOs — Hotel Leela and Aegis Vopak Terminals, each aiming to raise around ₹4,000 crore — provided further impetus to the domestic unit, said dealers. “With US markets closed on Monday, foreign investor inflows were front-loaded into today's session, supporting the rupee. Additionally, the RBI was actively seen selling approximately \$1 billion near higher levels, which further strengthened

the Rupee,” said Amit Pabari, managing director at CR Forex.

The rupee had seen a sharp depreciation at the beginning of this month, despite a decline in the dollar index, as foreign investors withdrew from domestic markets amid tensions between India and Pakistan. The rupee has appreciated by 0.5 per cent in the current calendar year and 0.3 per cent in FY26 so far. As on Thursday, the rupee was trading 0.6 per cent weaker for FY26.