

DOLLAR INDEX HIGHER

## Rupee Falls 17 Paise to Close at 83.60 Against Dollar

PTI

**Mumbai:** The rupee depreciated 17 paise against the US dollar and settled at 83.60 on Wednesday, weighed down by the strength of the American currency in the overseas market and elevated crude oil prices.

However, a firm trend in domestic equities, wherein benchmark indices scaled new peaks, supported the local unit and restricted the downside, forex traders said.

At the interbank foreign exchange market, the local unit opened at 83.45 and hit the intraday high of 83.43 and a low of 83.61 against the greenback during the session.

It finally settled at 83.60 against the dollar, 17 paise lower than its previous close.

On Tuesday, the rupee appreciated 4 paise and settled at 83.43 against the greenback.

"We expect the rupee to trade with a slight negative bias on dollar demand ahead from oil importers as we are heading towards the end of the month. A strong dollar and elevated crude oil prices may also put downside pressure on the rupee," said Anuj Choudhary, Research Analyst at Sharekhan by BNP Paribas.



However, positive domestic markets and Foreign Institutional Investor (FII) and foreign inflows may support the rupee.

USDINR spot price is expected to trade in a range of Rs 83.30 to Rs 84, Choudhary added.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.22 per cent higher at 105.83.

Brent crude futures, the global oil benchmark, were trading 0.80 per cent higher at USD 85.69 per barrel.

In the domestic equity market, the 30-share BSE Sensex rose 620.73 points, or 0.80 per cent, to close at a new peak of 78,674.25 points. The broader NSE Nifty settled 147.50 points, or 0.62 per cent, higher at a record 23,868.80 points.

FIIs were net buyers in the capital markets on Tuesday, as they purchased shares worth Rs 1,175.91 crore, according to exchange data.

Meanwhile, Reserve Bank Governor Shaktikanta Das on Tuesday asserted that the high interest rates are not impeding growth, and made it clear that the monetary policy will "unambiguously" focus on getting down inflation going forward.

The country is at the threshold of a "major structural shift" in its growth trajectory and is moving towards a path where 8 per cent real GDP growth can be sustained on a yearly basis, Das said, addressing an event by Bombay Chamber of Commerce and Industry.