

DOLLAR INDEX UP Rupee Falls 9 P to Close at 84.49 Against US Dollar

PTI

Mumbai: The rupee depreciated 9 paise to close at 84.49 against US dollar on Thursday, weighed down by a negative trend in domestic equities and broad strength of the American currency in the overseas markets.

Forex traders said a mixed-to-weak tone in crude oil prices cushioned the downside.

At the interbank foreign exchange, the rupee opened at 84.45 and touched the lowest level of 84.50 against the greenback during intra-day. The unit ended the session at 84.49 against the dollar, registering a fall of 9 paise over its previous close. The rupee hit its lowest-ever closing level of 84.50 on November 21.

On Wednesday, the rupee depreciated by 11 paise to close at 84.40 against the US dollar.

"We expect the rupee to trade with a negative bias on strength in the US dollar and month-end dollar demand from importers. However, overall weakness in crude oil prices and fresh FII inflows may support the rupee at lower levels.

"US markets will remain closed today to observe the Thanksgiving Holiday. USD-INR spot price is expected to trade in a range of Rs 84.35 to Rs 84.70," said Anuj Choudhary - Research Analyst at Mirae Asset Sharekhan.

According to traders, the latest Federal Open Market Committee (FOMC) minutes revealed a significant shift in the Federal Reserve's outlook. The Fed is likely to put downward pressure on short-term interest rates, reducing the appeal of dollar-denominated assets and contributing to the decline in the Dollar Index.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading higher by 0.25 per cent at 106.34.

Brent crude, the global oil benchmark, rose 0.08 per cent to USD 72.89 per barrel in futures trade.

