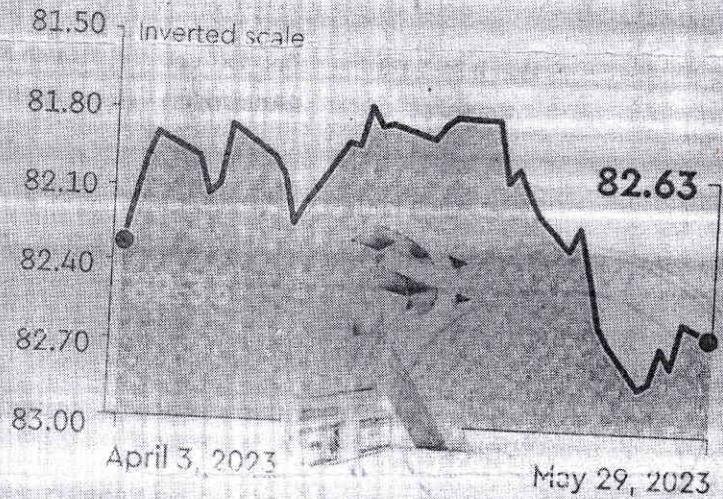


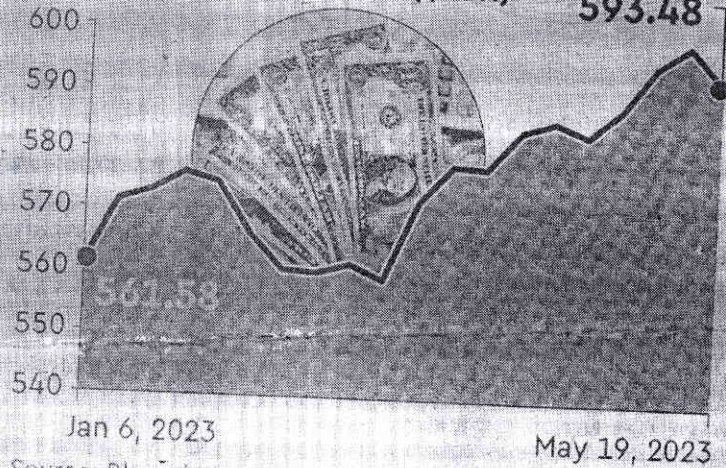
# Citi sees rebound in rupee as RBI slows dollar purchase

**THE RUPEE IS SET** to bounce back from near an all-time low as the RBI slows its dollar purchases, according to Citigroup, reports Bloomberg. The currency may recover to as strong as 80 per dollar as easing crude prices and rising services exports help narrow the CAD. Almost 11 months of import cover is likely to be prime reason behind the RBI slowing the pace of accumulation. Rupee fell 4 paise to close at 82.64 against dollar on Monday; it has weakened 0.9% so far this month. That puts the currency less than 1% away from its all-time low of 83.2912 set in October. The central bank boosted its foreign-exchange stockpile to \$600 billion by the middle of May.

Rupee vs dollar



India's forex reserves (\$ bn)



Source: Bloomberg