

Rupee rises for 3rd day; vaults 31 paise

PRESS TRUST OF INDIA
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THE RUPEE SURGED by 31 paise to close at 70.03 against the US dollar on Thursday, amid a sharp rebound in the domestic equity markets, even as oil prices firmed up.

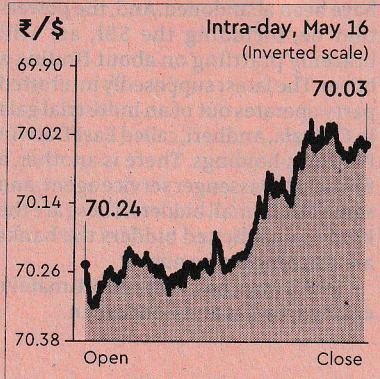
This is the third straight session of gain for the domestic currency, during which it has strengthened by 48 paise.

At the interbank foreign exchange market, the rupee opened at 70.26 per dollar and advanced to a high of 69.99 during the day. It finally settled at 70.03, up 31 paise against its previous close of 70.34.

Persistent foreign fund outflows and rising crude oil prices capped the gains for the rupee, forex dealers said.

Globally, stocks markets wobbled and the Japanese yen rose after the US slapped sanctions on Chinese telecom major Huawei, escalating its trade conflict with China.

"Indian rupee strengthened for third ses-



sion against US dollar. Even after surge in crude oil prices and foreign fund outflow in equity cash segment, rupee manages to gain," said VK Sharma, Head PCG and Capital Markets Strategy, HDFC Securities.

Sharma further said all eyes are now on the upcoming exit polls scheduled on May

19. "Huge volatility is expected in domestic currency between May 20 and 23," he added.

Foreign institutional investors (FIIs) remained net sellers in the capital markets, pulling out ₹953.23 crore Thursday, as per provisional data.

Brent crude futures, the global oil benchmark, rose 1.21% to \$72.64 per barrel amid heightened geopolitical tensions in West Asia.

The dollar index, which gauges the greenback's strength against a basket of six currencies, inched up 0.03% to 97.59.

Domestic benchmark indices finished with smart gains Thursday as investors accumulated stocks after the recent spell of weakness. The BSE Sensex finished at 37,393.48, up by 278.60 points, or 0.75%, while the broader NSE Nifty rose 100.10 points, or 0.90%, to 11,257.10. The Financial Benchmark India Private Ltd (FBIL) set the reference rate for the rupee/dollar at 70.2087 and for rupee/euro at 78.6880.