

Rupee rises for 6th day, up 52 paise to 71.14 a dollar

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CONTINUING ITS WINNING run for the sixth straight session, the rupee climbed 52 paise to end at 71.14 against the US dollar on Thursday as signs of easing trade tensions between the US and China buoyed global markets.

Easing crude oil prices and fresh foreign capital inflows provided further support, forex traders said.

The Indian currency has appreciated by 125 paise in the last six trading sessions.

At the interbank foreign exchange market on Thursday, the local unit opened on a strong note at 71.46 and shuttled between a high of 71.00 and low of 71.46. It finally closed at 71.14, showing a gain of 52 paise over its previous close.

The rupee had settled at 71.66 against the greenback on Wednesday.

In a major boost to investor sentiment globally, China on Thursday welcomed US President Donald Trump's 'goodwill' gesture to postpone a planned tariff hike on Chinese products, as the two countries warmed up to each other ahead of next month's talks to end their bruising trade war.

"Along with the other Asian currencies, Indian rupee also gained amid ease of trade tensions between US-China," said VK Sharma, head PCG and Capital Markets Strategy, HDFC Securities.

President Trump said on Wednesday that he had delayed his proposed increased tariffs on \$250 billion worth of



Chinese goods from October 1 to October 15. Earlier, China on Wednesday unveiled the first set of US goods to be excluded from the first round of additional tariffs on US products.

Sharma further said spot USD/INR is expected to witness weakness with downside support at 70.50 and resistance at 71.60. Forex traders said the Indian currency gained following easing crude oil prices. Brent crude futures, the global oil benchmark, slipped 1.13% to trade at \$60.12 per barrel.

Foreign fund inflows and weakening of the American dollar vis-a-vis other currencies overseas also supported the local unit.

Foreign institutional investors (FIIs) remained net buyers in the capital market, putting in ₹783.55 crore on Thursday, according to provisional exchange data.

The dollar index, which gauges the greenback's strength against a basket of six currencies, fell 0.13% to 98.51.