

The gap between interbank and open market rates narrowed on Wednesday as the government intervened to arrest the fall of the rupee versus the dollar, dealers said. On Monday, the rupee was at Rs 103.00 in relation to the dollar, now it is available at Rs 102.40, showing a recovery of 60 paise during the last three days, they said. ♦

Market participants attributed the decline in rupee's value to gold importers' dollar buying during the last six weeks. It was noted that since the week started, the rupee shed its losses in terms of the dollar, as the government has banned gold import for one-month, they said, adding the government's decision caused a visible gain in the rupee's value against the dollar.

Free-fall of the rupee propelled the newly-elected government to take serious move to find the actual reason of present unwanted situation. The one-month ban is limited to discourage the importers' excessive buying of dollars, they said. How far it would help rupee to stabilise its value, it appeared that it was a temporary phase to halt dollar's surge versus the rupee, they added.

INTERBANK MARKET RATES: The rupee rose by 20 paise versus the dollar at Rs 101.80 and the national currency picked up nine paise for selling at Rs 101.85, dealers said.

OPEN MARKET RATES: The rupee maintained its upward journey against the dollar, picking up 30 paise in terms of the greenback for buying and selling at Rs 102.40 and Rs 102.60, they said. The rupee also gained 95 paise against the euro for buying and selling at Rs 134.50 and Rs 134.75 respectively, they said.

In the third Asian trade, the dollar held steady versus a basket of currencies on Wednesday as investors stepped cautiously ahead of a Federal Reserve policy review that could see the central bank drive home a dovish message. The dollar index, which tracks the greenback's performance against a basket of major currencies, held steady at 81.856. The dollar was trading against the Indian rupee at Rs 61.07, the greenback was at 3.2455 in terms of the Malaysian Ringgit and the US currency was at 6.1287 in relation to the Chinese Yuan Interbank buy/sell rates for the taka against the dollar on Wednesday:

77.77-77.77 (77.75-77.75). Call Money Rates: 06.00-08.00 percent (previous 06.50-07.50 percent).

Open Bid ♦ ♦ ♦ Rs 101.80
Open Offer ♦ ♦ Rs 101.85

Courtesy: ♦BR