

Rupee slumps 34 paise to 72.85 against the US dollar in early trade



The Indian rupee slumped 34 paise to 72.85 against the [US dollar](#) in opening trade on Tuesday as rising crude oil prices and a strong American currency weighed on investor sentiment.

At the interbank forex market, the domestic unit opened at 72.85 against the US dollar, registering a decline of 34 paise over its previous close.

On Friday, the rupee had settled at 72.51 against the American currency.

The forex market was closed on Monday on account of Holi.

The Rupee started this morning on a weaker note against the US dollar as risk appetite waned in the broader financial markets and a stronger greenback, Reliance Securities said in a research note.

Besides, most of the Asian currencies were weak this morning and will weigh on sentiments, it said.

Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, rose 0.01 per cent to 92.94.

"The US dollar was flat against the basket of currencies in Asian trade. However, downside could be capped amid a spike in treasury yields, as accelerating vaccinations and massive stimulus in the US stoked inflation concerns," the Reliance Securities note said.

Brent crude futures, the global oil benchmark, rose 0.11 per cent to USD 65.05 per barrel.

On the domestic equity market front, the 30-share BSE benchmark Sensex was trading 760.39 points higher at 49,768.89, and the broader NSE Nifty advanced 233.40 points to 14,740.70.

Foreign institutional investors were net sellers in the capital market as they offloaded shares worth Rs 50.13 crore on Friday, according to exchange data.

US Dollar