

Rupee sees biggest monthly losing streak since 1985

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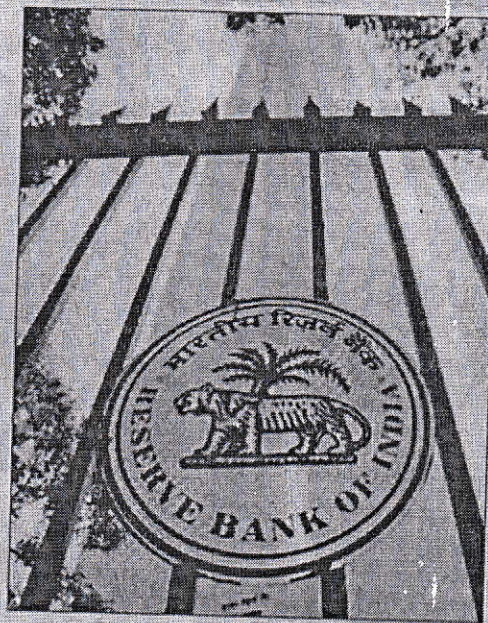
Mumbai, October 31

THE INDIAN RUPEE chalked up its tenth straight monthly fall after slipping versus the dollar on Monday, on concerns over oil prices and in line with losses in most other Asian currencies. The rupee last traded at 82.78 per US dollar on Monday, compared with 82.47 in the previous session.

The currency depreciated 1.8% in October. The last time it had a positive month against the dollar was in December 2021. This is rupee's longest monthly losing run since 1985. The string of monthly losses has put the rupee on course for its worst annual performance in almost a decade.

"Fundamental issues such as high current account deficit and persistent inflation remain impediments (for the rupee)," Srinivas Puni, managing director at QuantArt Market Solutions, said.

Among the rupee's Asian peers, the offshore Chinese yuan and the Indonesian rupiah dropped about 2.4%



each in October, while the Malaysian ringgit fell 2% and the Thai baht 0.6%. The Korean won outperformed, inching up.

The prospect of more US Federal Reserve rate hikes alongside worries over the Chinese economic outlook impacted the demand for Asian currencies. Expectations of the Fed slowing its pace of rate hikes have increased in recent days, though the US central bank is poised to deliver yet another super-sized 75 basis point rate hike this week.

—REUTERS