

# ₹ hits fresh intraday low of 88.33 vs \$

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Mumbai, 1 September

After hitting an all-time low in the previous trading session on Friday, the rupee hit a fresh intraday low of 88.33 per dollar on Monday due to rising concerns around higher US tariff on exports of Indian goods, said dealers.

The local currency regained all losses by the end of the trade on likely Reserve Bank of India (RBI) intervention by dollar sales, to settle at 88.20 per dollar, flat against Friday. The rupee has depreciated by 3.10 per cent in the current financial year so far. In August, it depreciated by 0.69 per cent.

Market participants said with US markets closed on Monday, volumes remained thin, giving flows the potential to trigger unusual movements in the rupee.

“The dollar remained well bid against the rupee for the entire day except for the afternoon session when it fell to 88.12 level on persistent selling by the central bank,” said Anil Kumar Bhansali, head of treasury and executive director at Finrex Treasury Advisors LLP.

The rupee has weakened against most major global currencies and currently ranks as the worst-performing currency among emerging markets in 2025. Foreign portfolio investors (FPIs) continue to pare holdings in both equities and debt, amid concerns that India’s trade deficit could widen following the Donald Trump administration’s 50 per cent tariff on Indian goods, among the steepest globally.

“Rupee traded sideways near 88.18 as Friday’s sharp fall kept the weakness extended, with the currency moving in a narrow range between 88.10 and 88.30,” said Jateen Trivedi, VP research analyst, commodity and currency, LKP Securities.

“The recently imposed US tariff on Indian products continues to weigh on sentiment, raising concerns over fiscal pressures and external balances. While goods and services tax (GST) reforms remain the next key trigger for the rupee, markets are awaiting clarity on the timing and scale of changes. Meanwhile, persistent FII (foreign institutional investor) outflows are adding to downside pressure, keeping the rupee vulnerable within a broader range of 87.75-88.50,” Trivedi added.



## Slippery slope (₹ vs \$)

Inverted scale

— Rupee Spot



Source: Bloomberg

Compiled by BS Research Bureau