

# Rupee falls 17 paise to close at 82.23

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**THE RUPEE PARED** its initial gains to settle 17 paise down at 82.23 against the US dollar on Monday, tracking losses in the domestic equity market and unabated foreign fund outflow. Traders said fall in crude oil price and a weaker dollar against major currencies, however, restricted the fall of the Indian currency.

At the interbank foreign exchange market, the local unit opened stronger at 81.78 against the American currency and touched a low of 82.2375 during intra-day.

Dilip Parmar, research analyst, HDFC Securities, said: "Indian rupee becomes the worst performer among Asian currencies on the back of worsening risk appetite, fall in bond yields and foreign funds outflows. In the short term, spot USD-INR is expected to consolidate between 81.70 and 83," he said.

"FII selling in the capital markets gave rupee resistance near 81.75 and prices fell

## Benchmark yield posts biggest single-session drop since Oct 4

**GOVERNMENT BOND** yields fell on Monday tracking a plunge in US yields, as investors scaled back expectations of an aggressive rate hike by the Federal Reserve this month. Local bond markets also awaited domestic retail inflation data due later in the day. The 10-year benchmark 7.26% 2032 bond yield ended at 7.3579%, lowest since February 16, after

below 82.15. Rupee weakness will continue as long as the market witnesses FII's selling pressure. Rupee range can be seen between 81.70 and 82.45," Jateen Trivedi, VP, research analyst, at LKP Securities said.

Meanwhile, retail inflation dipped marginally to 6.44% in February, mainly on account of a slight easing in prices of food and fuel items though it remained above the Reserve

closing at 7.4321% on Friday. The yield posted its biggest single-session drop since October 4. "Inflation data in India as well as in the US will be crucial given the global market turmoil over the failure of SVB and the uncertainty on the contagion impact of its failure," said Puneet Pal, head of fixed income at PGIM India Mutual Fund.

—REUTERS

Bank's comfort level of 6% for the second month in a row.

The dollar index, which gauges the greenback's strength against a basket of six currencies, fell 0.37% to 104.19. Global oil benchmark Brent crude futures declined 1.72% to \$81.36 per barrel.

On the domestic equity market front, the 30-share BSE Sensex declined 897.28 points or 1.52% to end at

58,237.85, while the Nifty fell 258.60 points or 1.49% to 17,154.30. FIIs were net sellers in the capital markets on Monday as they offloaded shares worth ₹1,546.86 crore, according to exchange data.