

# Shares see worst day in two weeks; rupee sinks to 79.71

AGENCIES  
Mumbai/Bengaluru,  
September 15

**SHARES ENDED LOWER** on Thursday, dragged by technology and bank stocks that slipped from record highs, as fears of a large interest rate hike by the US Federal Reserve gripped markets.

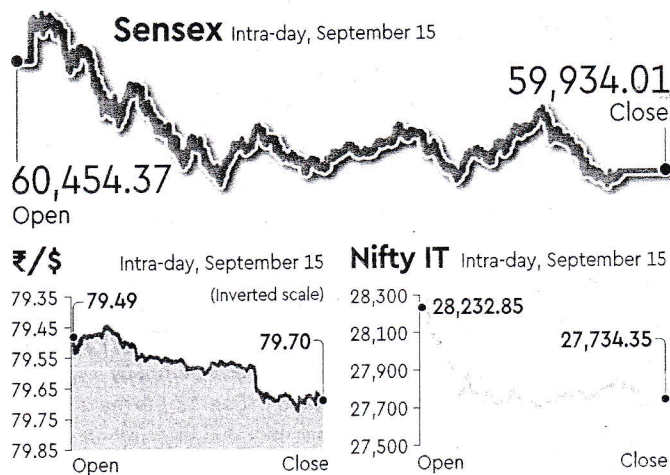
The Nifty 50 index closed 0.7% lower at 17,877.4, and the BSE Sensex slipped 0.68% to 59,934.01, both registering their worst session in two weeks.

The rupee declined by 19 paise to close at 79.71 against the US dollar, weighed down by a firm American currency and a negative trend in domestic equities.

Broader markets have been on edge, as investors assess the possibility of the US Federal Reserve going for a 100-basis-point interest rate hike next week to tackle higher inflation.

Meanwhile, Fitch cut India's economic growth forecast for 2022/23 to 7% from 7.8%, in the backdrop of a slowdown amid global economic stress, elevated inflation and tighter monetary policy.

The Nifty IT index slumped 1.4% after dropping 3.4% in the previous session, with tech major Infosys sliding 2.9%. Infosys has lost more than 7% over the last two sessions, hit in part, by a downgrade by Goldman Sachs to 'sell'.



The Nifty Bank index slipped 0.47% after hitting a record high earlier in the session.

Auto and tyre makers were a bright spot in the tepid market, with Maruti Suzuki India climbing 2.7% to its highest in over four years following reports that BofA Securities raised its target price on the stock. Tyre major MRF surged 9.1% to its highest since February 2021 while CEAT soared 20%. The Nifty Auto index jumped 0.7% to a record closing high.

Meanwhile, the rupee continued its downward journey. At the inter-bank foreign exchange market, the currency opened at 79.53 per dollar.

It hovered in a range of 79.44 to 79.73 during the session, and finally settled at 79.71, down 19 paise over its previous close of 79.52.

The dollar index, which gauges the greenback's strength against a basket of six currencies, was trading 0.09% lower at 109.56.

"The Indian rupee weakened against the dollar, weighed by strong dollar demand from oil companies," said Sriram Iyer, senior research analyst at Reliance Securities.

Asian and emerging market peers were weak with the Chinese yuan, Thai baht and the Taiwanese dollar being among the worst performers in afternoon trade.