

SPECULATION OF MORE FED HIKES BOOSTS DOLLAR INDEX

# Mood Turns Risk-off, Rupee Slips to 82.39

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**Mumbai:** The rupee closed at its weakest level versus the dollar since March 24 on Wednesday as concerns of an unprecedented US debt default sparked risk aversion, souring appetite for emerging market currencies.

Speculation of more US rate hikes following comments to that effect by members of the Federal Reserve also contributed to mounting robustness in the dollar index, exacerbating the pressure on the rupee. The rupee settled at 82.39 on Wednesday as against 82.21 on Tuesday. The domestic currency has shed 0.7% against the dollar since the beginning of last week.

## Counting Losses

April 28-May 17	Fig in %*
Hong Kong Dollar	0.23
South Korean Won	0.07
Taiwanese Dollar	-0.24
Thai Baht	-0.34
Japanese Yen	-0.46
Singapore Dollar	-0.67
Indian Rupee	-0.7
Chinese Renminbi	-1.21
Offshore Chinese Renminbi	-1.22
Indonesian Rupiah	-1.31
Malaysian Ringgit	-1.42
Philippine Peso	-1.49

\*Spot returns vs US dollar

Source: Bloomberg