

HITS 84.08/\$ INTRADAY

Rupee at a New Record Low on FPI Outflows

Our Bureau

Mumbai: The Indian rupee closed at yet another record low of 84.0775 against the US dollar on Tuesday, pressured by outflows caused by Hyundai routing back funds to its parent company in South Korea after the biggest initial share sale in the country's history, dealers said.

Foreign portfolio investment outflows from Indian equities and debt also put pressure on the rupee. However, likely



Traders say the local unit is showing resilience at levels of 84.08/\$

central bank intervention in the form of dollar sales mitigated losses for the local monetary unit, traders said.

The rupee closed marginally weaker at 84.0775, one paise lower than its previous close. This was its weakest closing level on record. During the day, the local currency touched its all-time intraday low of 84.0825/\$1, LSEG data showed.

On Tuesday, foreign investors sold shares worth ₹3,978.61 crore, BSE data showed. On a monthly basis in October so far, FIIs have sold Indian financial assets worth \$3.8 billion, depository data showed, surpassing the previous peak outflow of \$3.35 billion in March 2020.

"Despite the highest monthly outflows seen this month of ₹72,000 crore after March 2020, the USD/INR pair still shows some resilience around 84.08 levels, and there was hardly any move during the day. So there seems to be good absorption of such flows," said Kunal Sodhani, vice president of treasury at Shinhan Bank India.