

Rupee rebounds 48 paise to 73.80 a dollar on RBI assurance

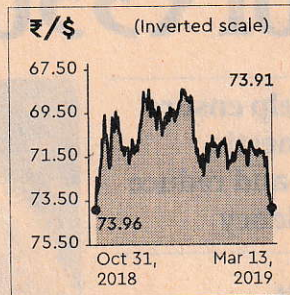
PRESS TRUST OF INDIA
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REBOUNDING FROM ITS record low of 74.50, the rupee traded higher by 48 paise at 73.80 against the US currency on Friday after the Reserve Bank's assurance that steps will be taken to maintain sufficient liquidity in the panick-stricken currency market.

At the interbank foreign exchange, the rupee opened lower at 74.39 and slid further to the day's low of 74.50 against the US dollar as investors panicked weighing turmoil in financial markets due to coronavirus fears.

But, the domestic unit recovered sharply to 73.80, up 48 paise against the US dollar, buoyed by measures by the central bank to arrest the rupee free-fall.

In the current month so far, FPIs have pulled out a whopping



₹37,954 crore (\$5.14 billion) from Indian capital markets.

Foreign investors remained net sellers in Indian capital markets for a fifth straight day, pulling out more than ₹4,700 crore on Friday amid a global sell-off in equities, market data showed.

The benchmark 10-year Indian gov-

ernment bond yield was higher at 6.32%.

Meanwhile, the global crude oil benchmark Brent Futures surged nearly 6% to trade at \$35.11 per barrel.

The dollar index, which gauges the greenback's strength against a basket of six currencies, rose 0.44% to 97.90.

The RBI has said it is closely monitoring the current global situation and assured that it will take all steps to keep markets adequately liquid and stable.

"The RBI is closely and continuously monitoring the rapidly evolving global situation and will take all necessary

measures to ensure that money, debt and forex markets remain adequately liquid and stable, and continue to function normally," the central bank said in a statement.

The RBI earlier also announced measures to infuse liquidity in the foreign exchange market, including the US dollar swaps worth \$2 billion.

On the equity front, recovering over 5,380 points from its intra-day low of 29,388.97, the BSE Sensex ended 1,325.34 points or 4.04% higher at 34,103.48.

Similarly, the NSE Nifty settled 365.05 points, or 3.81%, up at 9,955.20.