

Rupee declines

KARACHI: The rupee fell on Tuesday for the second straight session in the interbank market, as debt servicing pressure continued to weigh on the currency, dealers said.

The rupee closed at 164.33 against the dollar, 0.43 percent weaker from the Monday's closing of 163.62. The local unit lost 71 paisas during the session and Re1 in the last two days.

In the open market, the rupee ended at 164.50 against the dollar, compared with 163.80 in the previous session.

"There were routine import payments; however, the central bank was scooping dollars from the market to make some foreign debt repayments, which put pressure on the rupee," a forex dealer at a local commercial bank said.

"Debt repayments of around \$60 million have to be made to the International Monetary Fund against its extended fund facility on June 19," the dealer added.

Dealers said that the rupee came under pressure last week due to the repayment to China Development Bank.

Some commercial Chinese banks deposited \$2.9 billion in the last fiscal year to shore up Pakistan's forex reserves, which went below \$10 billion in June 2019, along with direct deposits by the Chinese government.