

### **Rupee declines**

KARACHI: The rupee weakened further against the dollar on Tuesday due to lower supplies, while a stronger dollar overseas also dampened the sentiment, dealers said.

The rupee closed at 160.45 against the dollar, compared with Monday's closing of 160.07 in the interbank market.

The rupee also lost grounds in the open market to end at 160.50 against the greenback. It had finished at 160 in the previous session.

"There was some dollar demand in the market and the lack of dollar selling by exporters and also sluggish inflows due to remittances came in, the rupee ended weaker," a dealer at a private bank said. "The dollar is strengthening globally, boosted by increasing safe-haven demand, amid growing fears about a second wave of coronavirus infection, which sent riskier currencies lower," the dealer added.

"That impact is there for the rupee too as market participants expect the rising safe-haven demand and further cut in interest rate by the SBP could lead to more foreign fund outflows from the government securities." Remittances from Pakistani workers living abroad remain slow, despite the holy month of Ramazan.

The slowdown in remittance flows is due to falling wages and employment in the United States, United Kingdom and the countries in the Middle East amid coronavirus outbreak.

Overseas Pakistani workers sent home \$1.790 billion in April, compared with \$1.894 billion in previous month. Pakistan received \$18.781 billion in remittances in July-April FY2020, compared with \$17.801 billion in the same period last year.