

## Rupee Slips Rs3.18 in Three Sessions

**KARACHI:** US dollar has recorded consecutive gains against the rupee in the last three sessions reflecting the demand and supply imbalances.

Globally, the US dollar has fallen against pound and euro during the last week indicating the pressure on US economy that is facing high unemployment, low consumption and now riots in more than 20 cities.

Currency dealers said the dollar's closing price on Monday was Rs164.08, up 98 paisa. Moreover, bankers said the demand has been increasing slowly but the sudden rise in dollar was mostly speculative.

"Since the exports are on decline and the World Bank predicts up to 20 per cent decline in remittances, there is little chance for the State Bank of Pakistan (SBP) to keep reserves in double digit," said a senior banker.

However, they also said the deferment of bilateral debt from the G-20 countries could bring some relief for the government. Moreover, the government is also expected to issue Eurobond to raise foreign exchange but the investment outlook does not look good for Pakistani bonds due to still spreading pandemic and weakening economy.

Forex Association of Pakistan President Malik Bostan said the dollar has been declining against euro and pound since the last week of May. It was trading at 1.085 against the euro on May 22, which increased to 1.115 euro on June 1.

Similarly, the US dollar was equal to 1.217 UK pound on May 22, which increased to 1.2426 pound on June 1.

The dollar has gained Rs3.18 against the rupee in the last three sessions. Bankers said there was no indication from the SBP to keep the exchange rate at a certain level.

Currency dealers in the open market sold the dollar at a slightly lesser price of Rs164 reflecting poor demand from buyers while trading volumes have already reduced significantly since the emergence of pandemic.