



Strong inflows help push rupee to a six-month high

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FPIs net buyers in equities at Rs.4,323 cr.

- The rupee, which has been steadily appreciating in recent days, closed 69.10 to a dollar, its highest level since August 10, 2018.
- Strong inflow in both debt and equity segments helped the currency to hit a six-month high against the dollar.

FII inflows

- FII inflows have crossed Rs.30,000 crore in Feb-March'19 till date, resulting in a flood of inflows after 2018 drought.
- According to data from the National Securities Depository Ltd. (NSDL), FPIs have been net buyers in equities at nearly Rs.18,000 crore in the current month, following net purchases of Rs.17,220 crore in the previous month.
- In the debt segment, FPIs are net buyers at Rs.2,499 crore in March after being net sellers in the previous month at Rs.6,037 crore.
- Several factors have been cited for the strong foreign fund inflows.
- The recent decision of the RBI for a currency swap to infuse rupee liquidity is expected to bring down hedging cost, prompting inflows in the short end of the corporate debt.
- Dealers said with the central bank not seen intervening heavily to curb the rupee appreciation and with some FDI flows expected to come in March, the outlook for the rupee is bullish.

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