



External Relations Department

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PKR-US\$ Exchange Rate Depreciates in the Interbank Market

Today, exchange rate in the interbank market closed at PKR 133.64 to USD against previous day's closing of PKR 124.27 to USD. This movement broadly reflects the current account dynamics and also the demand-supply gap in the foreign exchange market.

Although current account deficit narrowed in August 2018, a consistent increase in oil import bill on account of rising international oil prices has exerted pressure in the foreign exchange market.

SBP is of the view that this adjustment in the exchange rate along with lagged impact of recent hikes in the policy rate, and other policy measures to contain imports would correct the imbalances in the external account.

SBP will continue to closely monitor the situation and stand ready to intervene in case of any unwarranted volatility in the foreign exchange market.
