

03:14 PM 27 JAN MARKET STATS ▼	SENSEX 27,880 ▲ 171.65	NIFTY 50 8,643 ▲ 40.15	GOLD (MCX) (Rs/10g.) 28,147 ▼ -238.00	USD/INR 68.11 ▲ 0.03	CREATE PORTFOLIO	Download ET MARKETS APP	CHOOSE LANGUAGE ENG
--------------------------------------------	----------------------------------	----------------------------------	-------------------------------------------------	--------------------------------	-------------------------	--------------------------------	------------------------

RBI to ensure liquidity in market: Raghuram Rajan

By [Joel Rebello](#) & [Shilpy Sinha](#), ET Bureau | Updated: Jun 25, 2016, 06:41 AM IST

[Post a Comment](#)

MUMBAI: The Reserve Bank of India will ensure that there is sufficient US dollar and rupee liquidity to ensure smooth functioning of the market, in the light of Britain's decision to exit the European Union (EU). However, the central bank's role will only be to provide liquidity and it will allow the market to find its own natural level, governor Raghuram Rajan has said.

Budget 2017:
This Budget could be the toughest test of Modi's life. [Read about it in our Budget 2017 coverage](#)

"RBI is watching the various markets and obviously there will be some volatility as a result of this decision in the United Kingdom. We are looking at the markets and ready to intervene if we see that they become disorderly. We are not going to vent any market adjustment but we are ready with ammunition if necessary," Rajan said in an extraordinary conference call with journalists just after noon on Friday. "I am not saying in any way we will be immune to those consequences but people will look around for places that are relatively less affected.

They (here) have a continental economy with large demand, which hopefully will be strengthening as a consequence of relatively good prospects for the monsoon and we stand out as the reasonable prospect and after the initial concerns, money should return here," he said. Rajan's comments seem to have an impact on the local markets.

After weakening to an intra-day low of Rs68.21per dollar in early trade, the rupee recouped some of its losses to eventually end Friday at Rs67.96, down 1% from Thursday's close. The [Sensex](#) ended down 2.24% after being down close to 4.5% at one point in the day.

Rajan said the RBI is fully prepared to provide liquidity as and when required. "Our main aim is to ensure that the markets themselves continue providing whatever is needed but if there is disruption in markets and liquidity is not available from certain quarters, we are fully ready to provide whatever dollar or rupee liquidity is needed," he said. He, however, ruled out the possibility of a special dollar roll over facility.

Stay on top of business news with The Economic Times App. [Download it Now!](#)

Live Market	News	Portfolio	Mobile	Live TV	Newsletter	Commodities	Speed	QnA	Blogs	Alerts	RSS
Other Times Group news sites Times of India इकॉनॉमिक टाइम्स தமிழ்நாடு நாளிதழ் Mumbai Mirror Times Now Indiatimes नवभारत टाइम्स महाराष्ट्र टाइम्स ವಿಜಯ ಕರ್ನಾಟಕ Lifehacker Gizmodo Eisamay IGN India NavGujarat Samay	Living and entertainment Timescity iDiva Zoom Luxpresso Gaana Happytrips Cricbuzz Get Smartapp Networking itimes MensXP.com	Hot on the Web Union Budget Income Tax calculator Income Tax Slabs Budget 2017 UP & Punjab Assembly Elections 2017 BUDGET 2017-What's Cheaper & Expensive Sensex, Nifty Live	Services ads2book Gadgetsnow Free Business Listings Simplymarry Astrospeak Timesjobs Magicbricks Zigwheels Timesdeal dineout Filmipop Remit2India Gaana Greetzap Techradar Alivear Google Play								