

Kandaharis turn to afghani as rupee weakens

Bashir Ahmad Naadim - Aug 14, 2008 - 11:03

KANDAHAR CITY (PAN): With the record weakening of Pakistani currency against dollar the demand for Afghan currency, afghani, increased in southern province Kandahar, where Pakistan currency was being used in all transactions.

The government in past four years has not been able to strengthen its currency in the southern and eastern provinces neighboring with Pakistan against the Pakistani rupee despite announcing several punitive measures.

Now, as the rupee has dropped considerably against the US Dollar in the past one month, people in Kandahar are turning back to use their national currency which has stayed more stable than Pak currency.

The exchange rate now is 75 rupees per dollar while just a few months back it was 60 rupees per dollar.

Haji Abdullah Ayubi, a businessman dealing in Pak currency, said traders have suffered major losses as rupee has been continuously been weakening against dollar. They are not willing to do deals in rupee now as they are afraid of more losses, Ayubi told Pajhwok Afghan News on Thursday.

Ayubi added that most of the traders have suffered a 25 per cent loss in the past two months.

A property dealer in Kandahar city, Haji Muhammad Tahir, also says that the sudden drop in rupee's value made people to stop transactions in Pakistani rupee which has been the main currency in transactions since the last three decades in the southern province.

He said properties were now being hired, sold and rented mostly in local currency, adding that turning of people to their national currency was in benefit of the country although many businessmen would suffer losses at the moment.

Haji Abdullah, who imports electronics from Pakistan, said he was changing prices of his goods immediately after landing them in Kandahar to afghanis in order not to suffer losses.

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