

said it won't do. Analysts still expect the central bank to make a statement on the rupee at its mid-

new rule could prompt the selling of dollars by some dealers who have been holding dollars.

stayed away

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Asian Central Banks Pus

BY MARTIN VAUGHAN

SINGAPORE—Several Asian central banks stepped into the foreign-exchange market Thursday to temper a selloff in their

CURRENCY MARKETS

currencies, aiming to keep them from weakening too rapidly as strains from the euro zone's debt crisis are felt across the region.

Central banks in Indonesia, Malaysia, the Philippines and South Korea were spotted selling dollars in relatively small amounts, as their currencies came under pressure from a regionwide move by investors to pare risky bets.

Asian currencies have turned

lower against the dollar in the second half of this year as euro-zone stresses have intensified. That followed a long period of steady appreciation after the 2008 financial crisis. Most central banks have plenty of firepower to defend their currencies, as they have built up large dollar reserves thanks to current-account surpluses and past efforts to slow the rise of their currencies. And Asian economies for the most part are solid, making a severe rout in their currencies unlikely.

"These central banks can make the point that the declines in their currencies are not necessarily justified by fundamentals," said Olivier Desbarres, head of FX strategy for

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