

# DAILY FOREX NEWSLETTER

Tuesday 13<sup>th</sup> July 2021

## Local Markets:

The Kenyan shilling was stable on Monday amid a slow market as demand for dollars from importers is matched by inflows from remittances and exports.

## Top News:

- Gold prices steadied on Tuesday after hitting a one-week low in the previous session, as the dollar weakened slightly ahead of U.S. inflation data that could offer clues about the likely timing of policy tightening by the Federal Reserve.
- Oil rose on Tuesday, recovering from the previous day's drop, as expectations of further declines in U.S. crude inventories outweighed fears that spreading Covid-19 variants could derail a global economic recovery.

## International Markets

**USD:** The dollar found support on Tuesday ahead of U.S. inflation data, with investors on edge over whether the figures may offer clues about the likely timing of tapering and interest rate hikes. Against the euro the greenback held a small Monday gain to trade at \$1.1861, with the common currency also weighed after European Central Bank President Christine Lagarde hinted at a dovish shift to the rates outlook for Europe.

**GBP:** GBP/USD stays subdued; recovery moves capped around monthly top. UK retailers report record Q2 growth, NI unionists convey dislike over post-Brexit trade barriers. UK PM Johnson pushes for caution even as activity restrictions will be removed on July 19. Covid updates, US CPI become the key catalysts. GBP/USD fades late Monday's bounce off 1.3839 around 1.3880 during the initial Asian session on Tuesday

**EUR:** EUR/USD consolidates for the four trading sessions around 1.1860. The Euro gains on optimism after ECB hawkish outlook, German data eyed. US dollar index remained steady below the 13-week high near 92.30. EUR/USD prints minor gains on Tuesday morning's Asian session. The pair faces strong rejection near the daily highs around 1.1880. At the time of writing, the EUR/USD pair is trading at 1.1865, up 0.05% for the day.

**INR:** USD/INR stays mildly offered, lacks follow-through after Monday's corrective pullback. India retail inflation eased in June, covid conditions recover as well. US CPI, coronavirus headlines become the key amid a light calendar in India. USD/INR remains pressured around 74.50 as Indian markets open for Tuesday's trading.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	107.15	108.55			
<b>GBP/KES</b>	147.90	151.10	<b>GBP/USD</b>	1.3895	1.3895
<b>EUR/KES</b>	126.95	129.15	<b>EUR/USD</b>	1.1870	1.1875
<b>INR/KES</b>		1.4750	<b>AUD/USD</b>	0.7495	0.7480
			<b>USD/INR</b>	74.35	74.40
			<b>Commodities</b>		
			<b>Gold</b>	1810	1801
			<b>Brent Crude</b>	75.33	75.31

## T-Bills Rates:

Duration	Current	Previous
91 Days	6.614%	6.728%
182 Days	7.101%	7.228%
364 Days	7.576%	7.661%

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