

DAILY FOREX NEWSLETTER

Tuesday 10th May 2022

Local Markets:

The Kenya's shilling held broadly firm on Monday, but dollar demand from manufacturers was exerting downward pressure on the local unit.

Top News:

- Asian shares fell to their lowest in nearly two years on Tuesday, as investors fretted about the toxic cocktail of rising interest rates and lower economic growth.
- Oil prices tumbling more than 1% on Tuesday, extending the previous day's steep declines as coronavirus lockdowns in top oil importer China, a strong dollar and growing recession risks fed worries about the outlook for global demand.

International Markets

USD: The dollar was down on Tuesday morning in Asia, but the moves were small. Investors expect additional increases of the same magnitudes as the U.S. Federal Reserve raised its interest rate to 1%.

GBP: GBP/USD snaps three-day downtrend around two-year low. Bears take a breather inside trend continuation pattern, bullish RSI hints at corrective pullback. 50-SMA, 13-day-old resistance line challenge recovery moves, weekly support line adds to the downside filters. GBP/USD licks its wounds as sellers pause after refreshing a two-year low, picking up bids to 1.2360 inside an immediate rectangle formation

EUR: EUR/GBP snaps three-day uptrend around the highest levels in five months. Clear break of the previously key hurdles keeps buyer's hopeful amid bullish MACD signals. Tops marked during late 2021 act as additional upside filters. EUR/GBP retreats towards 0.8550 while posting the first daily loss in four heading into Tuesday's European session

INR: USD/INR retreats from all-time high as bulls take a breather. RBI intervention saved rupee after refreshing record low, easy oil prices and a pullback in yields add strength to corrective move. Mixed comments from Fed policymakers, China's He join anxiety ahead of US inflation to favor sellers of late. USD/INR renews intraday low around 77.30 as bulls step back from a record high amid easy oil prices and chatters surrounding the Reserve Bank of India's (RBI) intervention on Tuesday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	115.50	118.60			
GBP/KES	142.50	147.00	GBP/USD	1.2393	1.2310
EUR/KES	121.20	125.80	EUR/USD	1.0590	1.0540
INR/KES		1.5550	AUD/USD	0.6995	0.7035
			USD/INR	76.90	77.00
			Commodities		
			Gold	1862	1872
			Brent Crude	115.00	112.60

T-Bills Rates:

Duration	Current	Previous
91 Days	7.580%	7.497%
182 Days	8.542%	8.458%
364 Days	9.840%	9.776%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/, D/L 020-2223409/2213470 or general nos. 2228461/2

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