

DAILY FOREX NEWSLETTER

Friday 10th June 2022

Local Markets:

The Kenya's shilling held ground on Thursday but was under pressure as intense dollar demand from the energy sector outmatched supplies.

Top News:

- Asian shares tracked Wall Street lower on Friday, while the dollar held on to its overnight gains, after rate hike guidance from the European Central Bank and upcoming U.S. inflation data unnerved investors.
- Oil prices fell on Friday but still hovered near three-month highs, with fears over new COVID-19 lockdown measures in Shanghai outweighing solid demand for fuels in the world's top consumer United States.

International Markets

USD: The dollar was at a two-week high on the euro on Friday, ahead of inflation data that should guide the Federal Reserve's policy tightening path, and after the European Central Bank said it would start its rate-hike campaign next month.

GBP: GBP/USD snaps two-day downtrend around weekly low, struggles to recover amid sluggish markets. UK PM Johnson failed to impress bulls, NIP chatters grow stronger on fears of a repeal. Private gauge for UK employment dropped for the sixth month in May. US CPI is widely anticipated to arrive strong and hence a softer figure can extend the latest recovery moves. GBP/USD fades the corrective pullback from the weekly low, easing to 1.2495 during early Friday morning in Europe, as market fears and Brexit headlines challenge buyers ahead of the US inflation data.

EUR: EUR/USD is bided around 1.0610 as DXY eases mildly after hitting a fresh weekly high at 103.37. A neutral policy stance by the ECB has weakened the shared currency bulls. The DXY is expected to resume upside as the US inflation is seen stable at above 8%. The EUR/USD pair has been mildly bided around 1.0610 after nose-diving from Thursday's high at 1.0774. The shared currency bulls have been weakened by a neutral policy announcement from European Central Bank (ECB) President Christine Lagarde

INR: Indian rupee fell to record lows today amid broad dollar strength and elevated crude oil prices. The Indian currency fell to 77.82 against the USD dollar. On Thursday, the rupee had hit a low of 77.81 before closing at 77.74. Weak domestic equity markets also weighed on the rupee.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	117.00	122.50			
GBP/KES	144.20	153.60	GBP/USD	1.2545	1.2565
EUR/KES	122.70	130.60	EUR/USD	1.0680	1.0760
INR/KES		1.5910	AUD/USD	0.7140	0.7215
			USD/INR	77.00	76.95
			Commodities		
			Gold	1844	1854
			Brent Crude	122.42	123.95

T-Bills Rates:

Duration	Current	Previous
91 Days	7.866%	7.811%
182 Days	9.037%	8.974%
364 Days	9.952%	9.935%

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