

DAILY FOREX NEWSLETTER

Friday 17th June 2022

Local Markets:

The Kenya's shilling was little changed on Thursday, and it was expected to keep weakening due to increased importer demand for dollars from most sectors of the economy.

Top News:

- World stocks on Friday headed for their worst week since markets' pandemic meltdown in March 2020, as investors worried about growth in the face of global rate hikes - except in Japan where policy settings were kept easy, and the yen fell.
- Oil prices edged lower on Friday as demand concerns emerged following interest rate hikes in the week, although new sanctions on Iran capped the downside.

International Markets

USD: The dollar extended its losses Thursday from a day earlier, but the pain isn't expected to last very long because wobbles in the global economy and a Federal Reserve leaning more hawkish will push investors into the safe arms of the greenback.

GBP: GBP/USD dribbles around 1.2350 amid Friday's Asian session, after refreshing the weekly top during a two-day uptrend the previous day. In doing so, the Cable pair jostles with an eight-day-old descending trend line resistance while keeping the latest upside break of the 50-SMA and the weekly horizontal resistance area, now support

EUR: EUR/USD has corrected to near 1.0520 amid a rebound in the risk-off impulse. Investors are awaiting the release of the eurozone HICP and Fed Powell's speech for further guidance. A preliminary estimate for the eurozone HICP is a stabilization of the prior print. The EUR/USD pair is witnessing a corrective move after a vertical rally to a high of 1.0600 on Thursday. The pair displayed a juggernaut upside move on puzzled market sentiment in which risk-sensitive currencies and gold prices are scaling higher while the global equities and the US dollar index (DXY) are facing the headwinds of dumping.

INR: USD/INR picks up bids to refresh intraday high, extend the previous day's rebound. RBI highlights upbeat economic prospects for India despite risks to global growth. WTO's passage of trade deals also gains less accolades from the market. US dollar rebounds ahead of Fed's bi-annual Monetary Policy Report, Powell's speech, ignores downbeat Treasury yields. USD/INR extends the previous day's rebound from the weekly low, grinding higher around 78.00 as Indian markets open for Friday's trading.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	117.00	123.00			
GBP/KES	142.10	152.50	GBP/USD	1.2345	1.2188
EUR/KES	122.20	130.70	EUR/USD	1.0560	1.0482
INR/KES		1.5980	AUD/USD	0.7040	0.7060
			USD/INR	77.25	77.35
			Commodities		
			Gold	1845	1830
			Brent Crude	119.20	118.98

T-Bills Rates:

Duration	Current	Previous
91 Days	7.925%	7.866%
182 Days	9.096%	9.037%
364 Days	9.961%	9.952%

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