

DAILY FOREX NEWSLETTER

Friday 24th June 2022

Local Markets:

The Kenya's shilling eased to fresh lows against the dollar on Thursday, as limited foreign currency inflows were met with end-month dollar demand from fuel marketers and manufacturers.

Top News:

- Stocks and bonds were both headed for their first weekly gain in a month on Friday as investors wagered on Central Banks bringing inflation to heel, though growth fears dragged on commodities.
- Oil prices traded sideways on Friday after briefly rising nearly \$1 per barrel, as the market balanced fears of slower demand from cooling U.S. economic activity with supply uncertainty.

International Markets

USD: The U.S. dollar slipped against its major peers on Friday, on course for its first weekly decline this month as investors assess the path for Federal Reserve policy and whether aggressive rate hikes would trigger a recession.

GBP: GBP/USD pulls back from intraday high during the first positive day in three. Conservatives lost two Parliamentary seats in the UK by-elections, challenges to PM Johnson mounts. Downbeat UK data and disappointment from BOE keep cable bears hopeful. British Retail Sales for May will be important considering its lion share in GDP. GBP/USD justifies UK's political pessimism to take a U-turn from the intraday high, near 1.2270 during early Friday morning in Europe. Even so, a softer US dollar and anxiety ahead of the UK's Retail Sales for May, up for publishing at 06:30 GMT, challenge the Cable pair sellers

EUR: EUR/USD is marching towards 1.0550 as the DXY is performing lacklustre. Fed Powell's testimony has failed to bring a notable impact on the DXY prices. For further guidance, investors will focus on the US Durable Goods Orders. The EUR/USD pair is advancing gradually towards the critical hurdle of 1.0550 as an underperformance is expected from the US dollar index (DXY) amid the unavailability of any potential trigger in Friday's session. The asset has remained sideways in the Asian session and an upside break from the consolidation is expected after overstepping the intraday high at 1.0538

INR: The Indian rupee rose against the dollar as Asian equities advanced, and exporters covered forwards amid a pullback in Treasury yields. The rupee reached a new record low this week but speculators and corporates "have remained complacent" based on the assumption that "the Reserve Bank of India will be there."

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	117.10	124.60			
GBP/KES	142.10	153.20	GBP/USD	1.2310	1.2285
EUR/KES	122.20	131.60	EUR/USD	1.0584	1.0581
INR/KES		1.5980	AUD/USD	0.6955	0.6925
			USD/INR	77.50	77.60
			Commodities		
			Gold	1826	1832
			Brent Crude	110.01	109.64

T-Bills Rates:

Duration	Current	Previous
91 Days	8.013%	7.925%
182 Days	9.163%	9.096%
364 Days	9.974%	9.961%

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