

# DAILY FOREX NEWSLETTER

Wednesday 29th June 2022

## Local Markets:

The Kenyan shilling was stable on Tuesday amid a slowdown in appetite for hard currency among importers

## Top News:

- Stocks fell across Asia on Wednesday morning, extending overnight losses on Wall Street amid concerns over recession, inflation, and high oil prices, which also boosted the safe-haven dollar.
- Oil prices fell on Wednesday after rising in the previous three sessions, but losses were limited on the view that global supply tightness will continue as there is limited room for major producers such as Saudi Arabia to boost production

## International Markets

**USD:** The dollar slipped against most major peers on Wednesday as a decline in U.S. yields took some of the sheen off the currency, with investors mulling the risk of a recession from aggressive Federal Reserve rate hikes.

**GBP:** GBP/USD portrays corrective pullback from weekly low, snaps two-day rebound. Mixed concerns ahead of key data/events join firmer UK second-tier statistics to underpin recovery moves. BOE's Bailey has a tough task but Powell's recent failure to please hawks keep pair buyer's hopeful. GBP/USD pares the biggest weekly loss in over a week around 1.2200 during the mid-Asian session on Wednesday. In doing so, the cable pair cheers the upbeat UK data and the US dollar pullback amid mixed concerns. However, the market's anxiety ahead of the week's key data/events appears to challenge the corrective pullback from the weekly low.

**EUR:** EUR/USD fades bounce off weekly low as amid market's anxiety ahead of the key data/events. ECB's Lagarde failed to recall pair buyers amid inflation fears, yields remain pressured amid recession risks. Fed's Powell need to defend hawkish policy moves to keep USD buyer's hopeful. EUR/USD struggles to defend the early Asian session's corrective pullback during Wednesday morning in Europe. That said, the major currency pair eases from the intraday high to 1.0525 by the press time

**INR:** The Indian rupee weakened further on Wednesday, touching record lows against the U.S. dollar as losses in domestic shares and other Asian currencies weighed on sentiment.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	118.50	125.50			
<b>GBP/KES</b>	143.50	153.50	<b>GBP/USD</b>	1.2250	1.2320
<b>EUR/KES</b>	123.50	132.50	<b>EUR/USD</b>	1.0555	1.0585
<b>INR/KES</b>		1.6185	<b>AUD/USD</b>	0.6945	0.6955
			<b>USD/INR</b>	77.84	77.64
			<b>Commodities</b>		
			<b>Gold</b>	1821	1825
			<b>Brent Crude</b>	117.07	116.69

## T-Bills Rates:

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

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

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