

DAILY FOREX NEWSLETTER

Friday 3rd June 2022

Local Markets:

The Kenya's shilling was steady on Thursday, and it was forecast to ease due to demand for dollars from general merchant importers

Top News:

- Asian shares rose broadly on Friday morning after softer-than-expected U.S. employment data raised the possibility of the Federal Reserve turning less aggressive on its policy tightening stance in coming months.
- Oil prices were roughly unchanged on Friday, clinging to gains made in the previous session on doubts that producers belonging to OPEC+ can hike their crude output enough to make up for lost supply from Russia

International Markets

USD: The U.S. dollar fell across the board on Thursday, ceding ground gained in recent sessions as firmer risk sentiment prompted investors to reach for higher-yielding currencies.

GBP: GBP/USD fades the previous day's rebound from a fortnight low. Hawkish expectations from the BOE versus doubts on the Fed's moves post-September probe bears. Mixed sentiment, holidays in the UK allowed traders to consolidate the biggest daily gains in two weeks. US ISM Services PMI for May will also decorate calendar, Brexit/political headlines are important too. GBP/USD bulls step back after the biggest daily gains in two weeks as traders struggle for fresh clues during early Friday. That said, the cable retreats to 1.2570 while paring the previous day's gains of late.

EUR: EUR/USD struggles to defend buyers after cheering the biggest daily jump in a fortnight. Pre-NFP anxiety joins mixed headlines concerning China, a pause in yields to probe bulls. Early signals for US employment have been softer, suggesting the pair's further advances. ECB Speak, Eurozone Retail Sales and US ISM Services PMI are the extra catalysts to track for fresh impulse. EUR/USD retreats from monthly high as bulls take a breather during the pre-NFP trading lull on Friday. In doing so, the major currency pair pares the heaviest gains in two weeks around 1.0750 amid early morning in Europe

INR: The Indian rupee was trading higher versus the dollar, tracking gains in Asian currencies and shares ahead of the monthly U.S. non-farm payroll data. The rupee was quoting at 77.50 to a dollar compared with 77.61 in the previous session. Asian currencies rose after weak U.S. private payrolls data dented demand for the dollar.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	116.80	122.50			
GBP/KES	145.80	154.80	GBP/USD	1.2595	1.2525
EUR/KES	122.70	131.90	EUR/USD	1.0790	1.0690
INR/KES		1.5890	AUD/USD	0.7295	0.7190
			USD/INR	76.80	76.85
			Commodities		
			Gold	1867	1844
			Brent Crude	117.18	114.21

T-Bills Rates:

Duration	Current	Previous
91 Days	7.811%	7.744%
182 Days	8.974%	8.901%
364 Days	9.935%	9.881%

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