

DAILY FOREX NEWSLETTER

Tuesday 19th July 2022

Local Markets:

The Kenya's shilling held ground on Monday but was strained as offshore investors sought to repatriate dollars after divesting from the bond market.

Top News:

- Asian shares slipped on Tuesday, following overnight declines on Wall Street, and the dollar hovered below last week's peak, but traders' main focus was approaching Central Bank meetings and the early stages of the U.S. earnings season.
- Oil prices ran out of steam on Tuesday after gaining more than \$5 a barrel in the previous session with concerns that surging crude will feed into a demand-killing recession slightly outpacing continued worries about tight supply.

International Markets

USD: The dollar was up on Tuesday morning in Asia. It hovered on Tuesday just above a one-week low as a percentage-point Federal Reserve interest rate hike this month may be less than expected.

GBP: GBP/USD has given a downside break of 1.1942-1.1957 on expectations of muted UK job data. Dismal Average Hourly Earnings will bring more pain for the pound bulls. The DXY has overstepped 107.50 comfortably despite a light calendar week. The GBP/USD pair has slipped after displaying back and forth moves in a narrow range of 1.1942-1.1957 in the Asian session. The cable has delivered a downside break of the above-mentioned range as investors don't see any outperformance in the UK employment data.

EUR: EURUSD is trading pressured as the US dollar looks to extend its recovery. Risk sentiment remains in a weaker spot so far this Tuesday amid growth worries. ECB decision, Russia's Nord Stream 1 restart hold the key for the euro. EURUSD price is off the lows but remains in the hands of sellers below 1.0150, as we progress towards early European trading. The upside correction in the main currency pair lost traction at 1.0200 the figure, as the market optimism seems to have vaporized on resurfacing concerns over global growth.

INR: The Indian rupee on Tuesday hit a psychologically significant level of 80 for the first time against the US dollar after crude oil surged on concerns about tighter supplies globally, with the currency weakening for the eighth consecutive session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	125.50			
GBP/KES	140.50	150.25	GBP/USD	1.1990	1.1905
EUR/KES	119.50	127.50	EUR/USD	1.0180	1.0110
INR/KES		1.5980	AUD/USD	0.6880	0.6825
			USD/INR	78.90	78.75
			Commodities		
			Gold	1708	1713
			Brent Crude	105.85	101.84

T-Bills Rates:

Duration	Current	Previous
91 Days	8.248%	8.167%
182 Days	9.305%	9.253%
364 Days	9.986%	9.980%

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