

DAILY FOREX NEWSLETTER

Thursday 11th August 2022

Local Markets:

The Kenyan shilling traded flat on Wednesday in a quiet session, as the market waited to see whether the country remained calm after the Aug. 9 general election.

Top News:

- Asian shares tracked Wall Street higher on Thursday after a softer-than-expected U.S. inflation report encouraged bets of less aggressive rate hikes from the Federal Reserve, while the dollar remained bruised after its biggest plunge in five months.
- Oil prices fell in early Asian trade on Thursday as traders anticipated more supply of crude entering the market coupled with weaker demand.

International Markets

USD: The euro and Japanese yen were sitting pretty on Thursday morning after U.S. inflation data overnight came in less hot than feared and sent the dollar tumbling.

GBP: GBP/USD bears are making their moves and a correction could be on the cards. Weekly resistance is a compelling feature across the time frames. GBP/USD bulls are tiring following the overnight rally that was sparked by a miss in US Consumer Price Index. There are complications for the bulls at this point as they run into weekly resistance and there is a reversion pattern left behind on the daily chart that followed Wednesday's rally.

EUR: EUR/USD has tumbled to near 1.2850 amid a significant recovery in the DXY. A lower US CPI print has trimmed the odds of hawkish guidance while rate hike odds are solid. This week, the US Michigan CSI data will be of utmost importance. The EUR/USD pair has declined gradually to near 1.2850 after surrendering the round-level support of 1.0300 in the Asian session. Earlier, the asset printed a fresh monthly high of 1.0369 after the US dollar index nosedived on the lower print of the US Consumer Price Index

INR: USD/INR pares the biggest daily loss in four months around weekly low. Key SMAs, two-week-old resistance line challenge buyers amid bearish MACD signals. Weekly horizontal support holds the gate for bear's entry. USD/INR picks up bids to 79.22 as traders lick their wounds after the biggest daily fall since early April. Even so, the Indian rupee (INR) pair remains below the key short-term key resistances during early Thursday morning in Europe.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	125.80			
GBP/KES	142.70	152.60	GBP/USD	1.2240	1.2115
EUR/KES	120.10	128.80	EUR/USD	1.0295	1.0250
INR/KES		1.6040	AUD/USD	0.7075	0.6995
			USD/INR	78.55	78.50
			Commodities		
			Gold	1785	1789
			Brent Crude	97.09	95.89

T-Bills Rates:

Duration	Current	Previous
91 Days	8.473%	8.399%
182 Days	9.400%	9.392%
364 Days	9.920%	9.946%

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