

DAILY FOREX NEWSLETTER

Thursday 15th Sep 22

Local Markets:

The Kenya's shilling was flat on Wednesday, as dollar demand from fuel importers and manufacturers was matched by exporters and non-governmental organizations selling foreign currency.

Top News:

- Asia's stock markets were steady but fragile on Thursday, a day after their biggest drawdown in three months as investors weighed the risk of the Federal Reserve announcing a 100-basis point interest rate hike next week to tackle sticky inflation.
- Oil prices edged higher on Thursday as the market balanced weak demand with supply disruption amid a looming rail stoppage in the United States, the world's biggest crude consumer.

International Markets

USD: The U.S. dollar stabilized in early European trade Wednesday, pausing for breath after the previous session's sharp gains in the wake of the hotter-than-expected U.S. inflation report

GBP: GBP/USD fades the previous day's corrective bounce off weekly low, takes the offers of late. Deadline to trigger Article 16, uncertainty over UK energy bill aide test buyers. Easy inflation in the US, Britain failed to impress bears the previous day. US Retail Sales, chatter over Fed's next move will be important for fresh impulse. GBP/USD remains pressured towards 1.1500 during early Thursday morning in Europe, reversing the previous day's rebound, as global markets remain dicey ahead of the US data. Also exerting downside pressure on the Cable pair could be the pessimism surrounding the British politics and Brexit updates, not to forget the previous day's downbeat UK/US inflation data

EUR: EUR/USD is declining towards 0.9950 on soaring hawkish Fed bets. Stagnation in Retail Sales indicates a decline in consumers' confidence in the economy. The odds of stagflation in the Eurozone have surged sharply. The EUR/USD pair is dropping gradually after establishing below the magical figure of 1.0000 in the Asian session. The asset is expected to display more weakness and will slip to near 0.9950 as the US dollar index (DXY) is gaining strength. The DXY is aiming to recapture the psychological resistance of 110.00 as the odds of a full percent rate hike by the Federal Reserve (Fed) are skyrocketing.

INR: The Indian rupee was marginally lower against the U.S. currency compared with the previous session, as the hawkish Fed rate outlook supported the dollar.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	125.90			
GBP/KES	136.00	145.70	GBP/USD	1.1555	1.1565
EUR/KES	118.00	125.80	EUR/USD	1.0020	1.0060
INR/KES		1.5975	AUD/USD	0.6785	0.6780
			USD/INR	78.53	78.50
			Commodities		
			Gold	1688	1703
			Brent Crude	93.97	92.72

T-Bills Rates:

Duration	Current	Previous
91 Days	8.910%	8.860%
182 Days	9.599%	9.576%
364 Days	9.915%	9.876%

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