

# DAILY FOREX NEWSLETTER

Tuesday 27th Sep 2022

## Local Markets:

The Kenya's shilling was unchanged on Monday but was expected to weaken as emerging dollar demand from fuel importers was unlikely to be matched by hard currency inflows.

## Top News:

- Asian markets attempted to stabilize on Tuesday after a wild few day of stumbling stocks, crumbling bonds, a plunging pound and soaring dollar, with the dollar easing a bit and stocks flat.
- Oil steadied in early Asian trade on Tuesday as indications that producer alliance OPEC+ sought to avoid a collapse in prices, along with a slight softening in the U.S. dollar, tempered an earlier selloff.

## International Markets

**USD:** Most Asian currencies rose slightly on Tuesday as the dollar paused its rally below 20-year highs, while the Chinese yuan fell to a new two-year low on more signs of economic weakness in the country.

**GBP:** GBP/USD picks up bids to refresh intraday high, extends bounce off all-time low. US dollar pares recent gains amid sluggish session, softer data, inflation expectations add strength to the DXY pullback. BOE resists taming GBP strength, UK policymakers refrain from reversing any measures announced recently. US data, Fed speak will be crucial for directions, bears are likely to keep reins amid pessimism surrounding UK. GBP/USD reverses the previous day's heavy losses as it bounces off the all-time low to 1.0780 during early Tuesday morning in Europe. In doing so, the Cable pair renews intraday high while also snapping the five-day downtrend.

**EUR:** EUR/USD prints the first daily gains in six around 20-year low. Markets consolidate recent moves amid light calendar, mixed headlines. Hawkish central bankers, energy crisis keeps bears hopeful despite immediate rebound. US CB Consumer Confidence, Durable Goods Orders, ECB's De Guindos should also be eyed for fresh impulse. EUR/USD picks up bids to add strength to the early Asian session rebound near 0.9650. Even so, the major currency pair remains sidelined as traders await the key catalysts while paring the latest losses at the two-decade low on Tuesday.

**INR:** The Indian rupee strengthened 0.33% versus the U.S. dollar, boosted by lower oil prices and the slight better risk appetite

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	118.50	126.00			
<b>GBP/KES</b>	127.00	136.20	<b>GBP/USD</b>	1.0785	1.0565
<b>EUR/KES</b>	114.00	121.85	<b>EUR/USD</b>	0.9668	0.9665
<b>INR/KES</b>		1.5650	<b>AUD/USD</b>	0.6495	0.6550
			<b>USD/INR</b>	80.50	80.90
			<b>Commodities</b>		
			<b>Gold</b>	1631	1635
			<b>Brent Crude</b>	84.64	85.64

## T-Bills Rates:

Duration	Current	Previous
91 Days	8.951%	8.950%
182 Days	9.625%	9.615%
364 Days	9.909%	9.913%

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