

DAILY FOREX NEWSLETTER

Thursday 29th Sep 2022

Kenya's shilling recovered after touching fresh low against the dollar on Wednesday, as hard currency end-month demand from manufacturers and oil importers outstripped supply.

Top News:

- Asian share markets tumbled on Wednesday as surging borrowing costs intensified fears of a global recession, spooking investors into the arms of the safe-haven dollar, and driving the Chinese yuan to record lows.
- Oil prices fell more 1% on Wednesday, pressured by a strengthening dollar and crude storage builds that offset support from U.S. production cuts caused by Hurricane Ian.

International Markets

USD: Most Asian currencies fell on Thursday, taking little support from a recent dip in the dollar as fears of rising interest rates and a looming recession kept the greenback close to 20-year highs.

GBP: GBP/USD is expected to resume its upside journey after concluding its correction to near 1.0800. To revive UK's financial stability, the BOE announced a bond-buying program worth GBP 65 billion. Does BOE not have the stomach to fight inflation while simultaneously keeping financial stability? The GBP/USD pair is displaying a lacklustre performance in the Tokyo session. The asset has turned sideways in a narrow range of 1.0782-1.0800 after dropping from the critical hurdle of 1.0900. A failed attempt of overstepping the barricades at 1.0900 brought a correction in the cable, however, a bullish impulsive move after the conclusion of a pullback cannot be ruled out.

EUR: EUR/USD pares the biggest daily gains since March as risk-aversion returns to the table. Yields, DXY reverse pullback from multi-year high amid hawkish central bankers, looming recession. Europe versus Russia tension is likely to exert downside pressure on prices. Germany's HICP may not impress pair buyers unless US GDP disappoints. EUR/USD sellers are up and roaring as sour sentiment joins firmer yields to renew the downside during early Thursday, after a day full of surprises and upbeat performance. That said, the major currency pair takes offers to renew the intraday low near 0.9670 while reversing the previous day's bounce off the 20-year low, also consolidating the most significant daily jump in six months

INR: The Indian rupee firmed 0.3% per dollar, after the Bank of England's decision to buy long-dated British bonds prompted a pullback in Treasury yields and the dollar index.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	127.50	136.50	GBP/USD	1.0855	1.0695
EUR/KES	114.50	122.50	EUR/USD	0.9725	0.9595
INR/KES		1.5650	AUD/USD	0.6525	0.6425
			USD/INR	80.73	80.70
			Commodities		
			Gold	1648	1624
			Brent Crude	88.83	85.27

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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