

# DAILY FOREX NEWSLETTER

Tuesday 6th September 22

## Local Markets:

The Kenyan shilling was unchanged on Monday, but it was still inclined on weaker side as demand by merchandise importers weighs against tight inflows.

## Top News:

- Asian shares rose on Tuesday morning after China pledged to make renewed efforts to boost its economy on Monday, while investors pinned hope on more clarity ahead of a number of Central Bank meetings.
- Oil prices inched lower on Tuesday, paring gains from the previous session, as an OPEC+ deal to cut output by 100,000 barrels per day in October was seen as a largely symbolic move to bolster prices after the market's recent slide.

## International Markets

**USD:** China's yuan curbed recent losses on Tuesday after the People's Bank attempted to boost liquidity in the country, while the Australian dollar rose slightly ahead of a broadly expected interest rate hike by the country.

**GBP:** GBP/USD leads the G10 currency pairs amid broad US dollar pullback, cautious optimism. UK Tory Leadership winner Lizz Truss readies £130 billion energy plan, talks of BOE review also gain momentum. US ISM Services PMI for August, risk catalysts will be important for fresh impulse. GBP/USD takes the bids to refresh intraday high around 1.1590 as bulls welcome Lizz Truss's leadership amid hopes of heavy stimulus and a push to the Bank of England (BOE). With this, the Cable pair leads the G10 currency pairs while posing 0.65% intraday gains during Tuesday's Asian session.

**EUR:** EUR/USD is marching towards 1.0000 parity on soaring ECB hawkish bets. Russia has cut off the energy supply to Eurozone citing western sanctions. The DXY has turned volatile amid weaker estimates for US ISM Services PMI. The EUR/USD pair is displaying a minor correction after printing an intraday high of 0.9970 in the Asian session. The corrective move does not resemble signs of bearish reversal but a healthy decline, which will be capitalized by the market participants for adding longs.

**INR:** USD/INR snaps three-day uptrend as it retreats towards the key SMA, Fibonacci retracement levels. Six-week-old descending trend line holds the key to buyer's conviction. Multiple troughs could test the pair bears before the previous monthly low. USD/INR retreats to 79.80, after a three-day uptrend, as buyers run out of steam during Tuesday's Asian session. In doing so, the Indian rupee (INR) pair fades bounce off the 200-SMA, as well as the 61.8% Fibonacci retracement of July 21 to August 02 downside.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	118.50	125.90			
<b>GBP/KES</b>	137.00	146.00	<b>GBP/USD</b>	1.1595	1.1485
<b>EUR/KES</b>	118.00	125.50	<b>EUR/USD</b>	0.9985	0.9920
<b>INR/KES</b>		1.6050	<b>AUD/USD</b>	0.6845	0.6825
			<b>USD/INR</b>	78.87	78.86
			<b>Commodities</b>		
			<b>Gold</b>	1715	1712
			<b>Brent Crude</b>	95.07	95.08

## T-Bills Rates:

Duration	Current	Previous
91 Days	8.86%	8.767%
182 Days	9.576%	9.532%
364 Days	9.876%	9.910%

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