

# DAILY FOREX NEWSLETTER

Tuesday 11th Oct 2022

The Kenyan shilling was broadly unchanged on Friday, with limited dollar inflows offset by fuel importers seeking hard currency.

### Top News:

- Oil prices fell on Tuesday, extending nearly 2% losses in the previous session, as a stronger U.S. dollar and a flare-up in Covid-19 cases in China increased fears of slowing global demand.
- Shares in the Asia-Pacific were mixed on Tuesday, while Taiwan's benchmark index dropped more than 4% on its return to trade after a holiday, as investors weighed the impact of new U.S. rules on chipmaker TSMC.

### International Markets

**USD:** Asian currencies fell further on Tuesday, while the dollar neared a new 20-year peak after hawkish signals from the Federal Reserve gave little indication that the central bank intends to ease up on interest rate hikes.

**GBP:** GBP/USD pares losses during five-day downtrend following the UK jobs report. UK Claimant Count Change rose to 25.5K, Unemployment Rate dropped to 3.5% during the latest release. British bonds join global counterparts to slump amid recession woes. Hawkish Fed bets, upbeat US Treasury yields may keep bears hopeful but BOE's Bailey can trigger corrective bounce. GBP/USD extends bounce off the intraday low following the strong UK jobs report during early Tuesday in Europe. Even so, the Cable pair bears remain hopeful amid broad risk aversion and the US dollar's strength.

**EUR:** The escalated risk-off profile has weakened the shared currency bulls. A death cross, represented by the 50-and 200-EMAs, adds to the downside filters. The RSI (14) has slipped into the bearish range after failing to sustain at no man's land. The EUR/USD pair has established below the critical cushion of 0.9700 in the early European session as the dismal market mood has firmed up further. The 10-year US Treasury yields are hovering around the psychological resistance of 4% and are aiming to cross the same with sheer momentum. Apart from that, the US dollar index (DXY) has refreshed its weekly high at 113.40.

**INR:** The rupee plunged to a new lifetime low Monday ahead of crucial US inflation data later this week, with global dollar strength pulling down emerging market currencies amid concerns of a recession in the West and sharper increases in borrowing cost

### 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>	130.60	139.60	<b>GBP/USD</b>	1.1060	1.1189
<b>EUR/KES</b>	114.60	122.70	<b>EUR/USD</b>	0.9730	0.9820
<b>INR/KES</b>		1.5500	<b>AUD/USD</b>	0.6295	0.6420
			<b>USD/INR</b>	81.30	81.35
			<b>Commodities</b>		
			<b>Gold</b>	1665	1712
			<b>Brent Crude</b>	95.92	94.28

### T-Bills Rates:

Duration	Current	Previous
91 Days	9.036%	8.952%
182 Days	9.639%	9.631%
364 Days	9.905%	9.905%

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