

DAILY FOREX NEWSLETTER

Monday 31st Oct 2022

The Kenya's shilling eased a touch in sluggish trade on Friday, with muted hard currency supply or demand.

Top News:

- Oil prices fell on Monday on concerns that widening Covid-19 curbs in China will curtail demand, offsetting signs that output at the top U.S. shale field is losing steam.
- Shares in the Asia-Pacific were mostly higher on Monday as China factory activity missed expectations, and markets look ahead to the U.S. Fed meeting later this week.

International Markets

USD: The yen fell more than 1% against the dollar on Friday after the Bank of Japan bucked the trend among other major Central Banks and stuck with ultra-low interest rates, while the greenback firmed after U.S. data showed inflation was still running hot.

GBP: GBP/USD prints mild losses around a fortnight high, probes three-week uptrend. Market's confidence in Britain's new government, hawkish bets on BOE defend buyers. Risk-aversion, strong US data tease pair sellers amid sluggish session. Second-tier US PMIs may entertain traders but FOMC, BOE's rate decision will be crucial for fresh directions. GBP/USD retreats towards 1.1600 while snapping a three-week uptrend with mild losses during early Monday morning in Europe. The Cable pair's latest weakness could be linked to the market's cautious mood ahead of this week's key monetary policy meetings of the Federal Open Market Committee (FOMC) and the Bank of England. Also, likely to have weighed on the quote is the mixed sentiment

EUR: EUR/USD seesaws above a three-week-old previous resistance line after two-week uptrend. Market's anxiety ahead of the top-tier EU data, FOMC keeps traders on the edge. Risk-negative headlines, firmer yields challenge buyers as DXY grinds higher. Bears will look for Eurozone recession to take entries but Fed's favour for slower rate hike may keep buyers hopeful. EUR/USD struggles for clear directions while trading inside a 20-pip range surrounding 0.9950 during early Monday. In doing so, the major currency pair portrays the market's anxiety ahead of the key eurozone data and the Federal Open Market Committee meeting announcements

INR: The Indian rupee rose to the dollar from the previous session, boosted by the upbeat risk mood.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	137.20	146.70	GBP/USD	1.1640	1.1595
EUR/KES	118.00	125.95	EUR/USD	0.9995	1.0080
INR/KES		1.5480	AUD/USD	0.6445	0.6495
			USD/INR	81.42	81.25
			Commodities		
			Gold	1643	1663
			Brent Crude	95.03	96.27

T-Bills Rates:

Duration	Current	Previous
91 Days	9.127%	9.100%
182 Days	9.678%	9.664%
364 Days	9.965%	9.928%

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