

DAILY FOREX NEWSLETTER

Thursday 10th Nov 2022

The Kenya's shilling slipped a fraction on Wednesday, as dollar demand from importers such as manufacturers and fuel marketers outmatched supply.

A group of over 85 insurers in Africa has pledged to create a financing facility to provide \$14 billion of cover to help the continent's most vulnerable communities deal with climate disaster risks such as floods and droughts.

Kenya's sovereign dollar-denominated bonds rose on Wednesday after the International Monetary Fund (IMF) agreed in principle to release \$433 million of funding, while Nigeria's also chalked up gains amid improved emerging market risk appetite.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	135.00	144.55	GBP/USD	1.1465	1.1580
EUR/KES	119.00	126.85	EUR/USD	1.0055	1.0095
INR/KES		1.5480	AUD/USD	0.6458	0.6535
			USD/INR	80.95	80.90
			Commodities		
			Gold	1709	1708
			Brent Crude	92.65	94.93

T-Bills Rates:

Duration	Current	Previous
91 Days	9.139%	9.127%
182 Days	9.691%	9.678%
364 Days	10.109%	9.965%

Top News:

- Asian share markets were tense on Thursday and the dollar held on to its overnight gains before the big test of a U.S. consumer inflation report, while market sentiment took a dive as the likely collapse of a major crypto exchange spooked investors.
- Oil prices fell for a fourth day on Thursday on concerns that new COVID curbs in China, the world's biggest crude importer, will impact fuel demand.

International Markets

USD: The dollar regained its footing on Thursday ahead of key U.S. inflation data due later in the day, while cryptocurrencies were fragile after a bailout deal for exchange FTX by its bigger rival Binance collapsed.

GBP: GBPUSD takes the bids to refresh intraday high, extends bounce off 50-DMA. High hopes from UK PM Sunak underpin recovery despite pessimism surrounding British property markets and hirings. Mixed Fed speak, downbeat US inflation expectations favor buyers amid sluggish session. US CPI for October could entertain traders ahead of British GDP data, limited upside expected. GBPUSD renews its intraday high around 1.1410 amid a broad US dollar weakness early Thursday as traders prepare for the all-important US Consumer Price Index (CPI) for October. In doing so, the Cable pair rebounds from the 50-DMA while re-approaching a two-month-old descending resistance line.

EUR: EURUSD struggles after reversing from two-month high, retreats of late. Mixed headlines surrounding key risk catalysts, mostly dovish Fed speak keep buyers hopeful. US inflation expectations drop but those from Eurozone stay firmer of late. Bulls can cheer a likely softer US CPI for October if ECB Bulletin paint recession fears with a lighter shade. EURUSD aptly portrays the market's anxiety ahead of the key US inflation data during early Thursday. In doing so, the major currency pair fades the late Wednesday's corrective bounce off 0.9992. It's worth noting that the quote reversed from a two-month high the previous day amid a broad risk-off mood.

INR: The Indian rupee weakened 0.20% versus the U.S. dollar, tracking broader declines in Asian currencies ahead of key U.S. inflation data.

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