

DAILY FOREX NEWSLETTER

Wednesday 16th Nov 2022

The Kenya's shilling was stable on Tuesday after recovering from a new all-time low, but it could weaken due to dollar demand from the manufacturing sector.

Top News:

- Asian stocks dropped and the dollar gained on Wednesday after blasts in Poland that Ukraine and Polish authorities said were caused by Russian-made missiles.
- Oil prices were little changed on Wednesday as COVID-19 cases in China continued to climb, sparking worries of lower fuel demand in the world's top crude importer, and outweighing concerns about an escalation of geopolitical tensions and tighter oil supply

International Markets

USD: Most Asian currencies sank on Wednesday as a potential Russian missile strike on Poland drove investors away from risk-driven assets, while the dollar steadied from recent losses as investors sought haven in the greenback.

GBP: GBPUSD stays defensive around three-month high, sidelined of late. Anxiety ahead of UK's key data, Autumn budget joins Poland-inspired sour sentiment to challenge traders. Downbeat US data, hawkish expectations from BOE keep buyer's hopeful. GBPUSD seesaws around 1.1870 as it tries to defend the bulls despite reversing from a three-month high during early Wednesday morning in Europe. The Cable pair's latest inaction could be linked to the mixed feelings surrounding Russia and the cautious mood ahead of the key data from the UK and the US.

EUR: EURUSD picks up bids to reverse recent pullback from four-month high. Mixed concerns over Russia's involvement in missiles attack on Poland entertained markets of late. Fears of Monetary policy divergence between US Federal Reserve and European Central Bank seem to favor EURUSD bulls. Softer US Retail Sales, hawkish comments from ECB's Lagarde appear necessary for further upside. EURUSD regains upside momentum after a dismal start to the key Wednesday, picking up bids to refresh intraday high near 1.0390 by the press time. In doing so, the major currency pair reverses the late Tuesday's pullback from a four-month high

INR: USDINR picks up bids to renew intraday high, up for the third consecutive day. Risk aversion, firmer yields underpin US Dollar rebound ahead of the key data. Wider trader deficit in India, chatters over RBI's softer rate hikes weigh on Indian Rupee. USDINR refreshes an intraday high during a three-day winning streak early Wednesday morning in Europe.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	140.00	149.90	GBP/USD	1.1895	1.1795
EUR/KES	123.00	130.95	EUR/USD	1.0395	1.0355
INR/KES		1.5685	AUD/USD	0.6795	0.6745
			USD/INR	80.50	80.45
			Commodities		
			Gold	1773	1771
			Brent Crude	93.27	92.86

T-Bills Rates:

Duration	Current	Previous
91 Days	9.173%	9.139%
182 Days	9.706%	9.691%
364 Days	10.186%	10.109%

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