

DAILY FOREX NEWSLETTER

Tuesday 1st Nov 2022

The Kenya's shilling was stable on Monday, and it was expected to weaken during the session due to increased demand for dollars, especially from oil retailing companies.

Top News:

- Asian shares rose and bond yields firmed in early trade on Tuesday despite mild losses from Wall Street overnight as investors turned their focus to the Federal Reserve's policy meeting this week for hints on what comes next.
- Oil prices inched lower on Tuesday, extending losses of 1% from the previous session as more extensive COVID-19 curbs in China increased fears of slowing fuel demand in the world's second-largest oil consumer.

International Markets

USD: The dollar gained across the board on Monday, regaining some of the luster it lost earlier in the month, bolstered by expectations of another supersized rate increase at this week's Federal Reserve monetary policy meeting.

GBP: GBP/USD picks up bids to refresh intraday high, pares the biggest daily loss in a month. Bullish MACD signals, steady RSI favour the pair's rebound from five-week-long ascending trend line. Bears need validation from 1.1315-10 to retake control. GBP/USD renews intraday top near 1.1500 while bouncing off short-term key support during early Tuesday, after posting the biggest daily loss in a month the previous day. The cable pair's recovery from an upward-sloping trend line from late September also takes clues from the bullish MACD signals and the firmer RSI (14) to keep buyers hopeful.

EUR: EUR/USD struggles to defend the bounce off one-week low amid sluggish trading. Risk profile remains blurred as yields stay inactive; stock futures pare daily gains ahead of the key data/events. Mixed expectations from Fed policymakers previously triggered cautious optimism. US ISM, S&P Global PMIs eyed ahead of Wednesday's FOMC, Friday's US NFP. EUR/USD prints mild gains around 0.9900, defending the bounce off 0.9830 support confluence, amid cautious optimism in the market during early Tuesday.

INR: The Indian rupee inched higher to the U.S. dollar, boosted by the upbeat risk sentiment. The benchmark BSE Sensex .BSESN rose 402.78 points, or 0.66%, to 61,149.37, reaching its highest level since January. Positive Asian cues and uptick in U.S. equity futures put Indian shares on course for its fourth daily advance.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	136.10	145.50	GBP/USD	1.1540	1.1640
EUR/KES	117.00	125.25	EUR/USD	0.9950	0.9995
INR/KES		1.5480	AUD/USD	0.6455	0.6445
			USD/INR	81.59	81.42
			Commodities		
			Gold	1637	1643
			Brent Crude	93.49	95.03

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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