

# DAILY FOREX NEWSLETTER

Tuesday 22nd Nov 2022

The Kenya's shilling was little-changed on Monday, and it was expected to weaken due to increased end-month demand for dollars, especially from the energy sector.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	120.80	126.30			
GBP/KES	140.50	149.80	GBP/USD	1.1895	1.1875
EUR/KES	121.50	129.65	EUR/USD	1.0325	1.0365
INR/KES		1.5685	AUD/USD	0.6645	0.6685
			USD/INR	80.55	80.95
			Commodities		
			Gold	1744	1746
			Brent Crude	87.87	86.83

## T-Bills Rates:

Duration	Current	Previous
91 Days	9.191%	9.173%
182 Days	9.721%	9.706%
364 Days	10.181%	10.186%

## Top News:

- Oil prices rose slightly in early Asian trade on Tuesday, a day after Saudi Arabia denied a media report that it was discussing an increase in oil supply with OPEC and its allies.
- Shares in the Asia-Pacific were mixed on Tuesday as investors weigh risks. Japan's Nikkei 225 climbed 0.68% and the Topix added 1.12%. In Australia, the S&P/ASX 200 rose 0.71% ahead of central bank governor Philip Lowe's speech at the Committee for Economic Development of Australia.

## International Markets

**USD:** The dollar pared some of its strong overnight gains on Tuesday after investors flocked to the safe-haven currency on nerves over China's COVID flare ups, though cautious risk sentiment kept the greenback in demand

**GBP:** An improvement in risk appetite is shifting momentum towards risk-sensitive currencies. The Cable is heading towards the downward-sloping trendline of the symmetrical triangle. Overlapping 20-EMA with asset indicates a consolidation head. The GBP/USD pair has witnessed a steep rise to near 1.1856 in the Tokyo session after sensing buying interest below 1.1800. The Cable is marching towards the round-level resistance of 1.1900 as the risk appetite of the market participants has improved.

**EUR:** EUR/USD has turned sideways after retreating from 1.0225 as traction is returning to risk-sensitive assets. Less-hawkish commentary from Fed policymakers has started weighing on US Treasury yields. The ECB is expected to slow down its pace of hiking interest rates. The EUR/USD pair is displaying back-and-forth moves around 1.0260 after resurfacing from the critical support of 1.0225 in the Tokyo session. The asset is expected to extend its recovery after overstepping the immediate hurdle of 1.0270 decisively as the risk-off profile is losing its traction.

**INR:** The Indian rupee inched higher to the dollar in the previous, tracking an uptick in most Asian currencies. Benchmark 10-year bond IN072632G=CC was quoted at 99.52 rupees, with yield up 1 bps at 7.3278% ahead of the state debt sale

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