

DAILY FOREX NEWSLETTER

Friday 7th Nov 2022

The Kenya's shilling was little changed on Friday but was forecast it would weaken during the session due to increased demand for dollars from the energy sector and low inflows.

Top News:

- Hong Kong stocks led gains in the Asia-Pacific early Monday as China's trade data fell far short of expectations, marking the first annual decline in exports since May 2020.
- Oil prices rose on Friday amid uncertainty around future interest rate hikes by the U.S. Federal Reserve, while a looming EU ban on Russian oil and the possibility of China easing some Covid restrictions supported markets.

International Markets

USD: Most Asian currencies fell on Monday as the dollar steadied from recent losses, while concerns over China's commitment to the zero-COVID policy and more weak economic data from the country dampened sentiment towards the region.

GBP: GBPUSD consolidates the biggest daily gains in a month. UK FinMin Hunt eyes 60 billion British Pound worth tax hike, spending cuts for the much-awaited budget. Mixed US data, Fed speak allowed buyers to sneak in before the covid woes restricted upside momentum. GBPUSD picks up bids to pare intraday losses around 1.1340 during early Monday morning in Europe. Even so, the Cable pair remains on the dicey floor as it tries to reverse the previous day's gains, the biggest in a month, amid the risk-averse markets.

EUR: EURUSD is aiming to kiss the 0.9950 hurdle amid lacklustre DXY. Mixed responses from the risk profile have shifted investors to the side-lines. For further action, Eurozone Retail Sales will be keenly watched. The EURUSD pair is marching gradually toward the immediate hurdle of 0.9950 in the Tokyo session. The asset is mostly trading sideways amid mixed responses from the risk profile.

INR: USDINR picks up bids to snap two-day losing streak. China's defense of zero covid policy weighs on market sentiment. WTI Crude Oil prices jumped the most in six months before the bulls took a breather around the key resistance. Risk-off mood, and fears of high US inflation can keep buyer's hopeful. USDINR prints mild gains around 82.20 as risk-aversion weighs on the Indian rupee (INR) during Monday's early European session. Also keeping the pair buyer's hopeful are the firmer prices of WTI crude oil, as well as mixed concerns over the Fed's next move.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.00			
GBP/KES	134.00	143.70	GBP/USD	1.1365	1.1240
EUR/KES	117.20	125.85	EUR/USD	0.9985	0.9784
INR/KES		1.5480	AUD/USD	0.6465	0.6349
			USD/INR	81.14	81.70
			Commodities		
			Gold	1672	1647
			Brent Crude	97.56	96.26

T-Bills Rates:

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

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