

# DAILY FOREX NEWSLETTER

Friday 2nd Dec 2022

The Kenya's shilling lost ground on Thursday, undermined by a general increase in importer demand for dollars, especially from oil retailing companies.

### Top News:

- Asian Markets in the Asia-Pacific mostly fell while investors looked for clarity after China signaled slight easing of its stringent Covid restrictions.
- Oil prices settled largely narrowly mixed on Thursday, retreating from an early rally built on dollar weakness and hopes for improved fuel demand in China after COVID-19 curbs were eased in two major Chinese cities.

### International Markets

**USD:** Most Asian currencies moved little on Friday as caution kicked in ahead of U.S. payrolls data that is likely to affect monetary policy, although dovish signals from the Federal Reserve pushed the dollar to a three-month low

**GBP:** GBP/USD fades upside momentum as multi-day high as markets prepare for the key US employment data. Rebound in US Treasury bond yields joins mildly offered stock futures to underpin the pullback in the Cable prices. Downbeat UK PMIs, house prices test GBP/USD bulls amid consolidation waves. Bulls stay hopeful as dovish bias from Fed could strengthen on softer US jobs report. GBP/USD takes a U-turn from the highest levels since late June, marked the previous day, as markets consolidate ahead of the key US employment report for November during early Friday. That said, the Cable pair refreshes intraday low near 1.2230 by the press time.

**EUR:** EUR/USD holds steady below 1.0550 post-Lagarde speech. EUR/USD is stalling on the bid which gives rise to the prospects of a capitulation above 1.0500. The Euro is finding some solace from ECB President Lagarde's remarks while the US Dollar pauses its decline ahead of the critical US payrolls data.

**INR:** USD/INR bears take a breather around two-week low. Sustained trading below 50-DMA, bearish oscillators favor sellers. Four-month-old support line, 100-DMA to challenge bears, descending trend line from late October adds to the upside filters. USD/INR stays defensive around the lowest levels in two weeks, steady around 81.10 by the press time, as bears pause after a four-day south-run during early Friday. Even so, the Indian Rupee (INR) buyers remain hopeful to extend the latest downturn.

### Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	120.80	126.70			
<b>GBP/KES</b>	146.00	155.70	<b>GBP/USD</b>	1.2280	1.2140
<b>EUR/KES</b>	125.00	133.80	<b>EUR/USD</b>	1.0575	1.0485
<b>INR/KES</b>		1.5785	<b>AUD/USD</b>	0.6855	0.6850
			<b>USD/INR</b>	80.18	80.10
			<b>Commodities</b>		
			<b>Gold</b>	1797	1779
			<b>Brent Crude</b>	87.01	86.75

### T-Bills Rates:

Duration	Current	Previous
91 Days	9.275%	9.237%
182 Days	9.752%	9.733%
364 Days	10.225%	10.219%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/, D/L 020-2223409/2213470 or general nos. 2228461/2