

DAILY FOREX NEWSLETTER

Friday 30th Dec 2022

The Kenya's shilling was stable in early trade on Thursday, but it was expected to weaken during the session due to increased demand for dollars from oil retailers.

Top News:

- Stocks in the Asia-Pacific traded higher on its last trading session of the year after Wall Street rebounded overnight, recovering most losses from the previous day.
- Brent crude is not too far off Thursday session highs, last tracking near \$83.80/bbl. We currently sit little changed for the week, but down a little over 2% for the month.

International Markets

USD: The dollar slipped on Thursday with investors on edge at the end of the year as initial optimism over China's reopening fizzled out and as markets processed a readout of U.S. jobless claims.

GBP: GBP/USD takes offers to refresh intraday low, pares the biggest daily gains in two weeks. UK PM Sunak is up for a bitter announcement, British commercial properties remain weak. US Dollar licks its wounds as UK-based data firm hints higher Covid-led deaths, yields pause previous fall. Second-tier data, risk catalysts will be eyed for fresh impulse. GBP/USD reverses the previous day's gains, the biggest in two weeks, while taking offers to refresh the intraday low around 1.2040 heading into Friday's London open. In doing so, the Cable pair justifies the downbeat signals surrounding the British economy, as well as the recent pause in the downside of the US Treasury yields and the US Dollar.

EUR: EUR/USD has turned directionless above 1.0650 ahead of an extended weekend for New Year celebrations. The US Dollar Index has attempted a rebound after dropping to near 103.50. An ease in the risk-off mood has also improved the demand for US government bonds. The EUR/USD pair is displaying back-and-forth moves marginally above 1.0650 in the Asian session. The major currency pair is displaying a sideways auction as investors are restricting themselves from making positions ahead of the extended weekend for New Year celebrations. A decline in trading activity is resulting in confusing price action by different asset classes.

INR: The rupee appreciated 16 paise against the US dollar in early trade on Friday, tracking a firm trend in domestic equities. Forex traders said sustained foreign fund outflows weighed on investor sentiments and restricted the appreciation bias.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	121.40	128.00			
GBP/KES	145.20	154.20	GBP/USD	1.2090	1.2087
EUR/KES	128.00	136.20	EUR/USD	1.0695	1.0665
INR/KES		1.5785	AUD/USD	0.6798	0.6785
			USD/INR	81.77	81.85
			Commodities		
			Gold	1818	1807
			Brent Crude	83.73	82.95

T-Bills Rates:

Duration	Current	Previous
91 Days	9.369%	9.37%
182 Days	9.834%	9.825%
364 Days	10.308%	10.31%

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