

DAILY FOREX NEWSLETTER

Thursday 8th Dec 2022

The Kenya's shilling was steady against the dollar on Thursday but seen weakening in the coming days as importers complete orders to cover the holiday period at the end of the year.

Top News:

- Asian shares tracked Wall Street higher amid hopes that China's economy would pick up pace as COVID-19 curbs ease, although caution ahead of a week full of risk events, including the Federal Reserve's policy meeting, could cap sentiment.
- Oil prices bounced on Friday as closure of a major Canada-to-U.S. crude pipeline disrupted supplies, but prices remained near December 2021 lows on concerns over slowing global demand growth.

International Markets

USD: Most Asian currencies rose slightly on Friday while the dollar retreated in anticipation of U.S. inflation data, with the Chinese yuan set to blaze past its peers this week amid growing optimism over an economic reopening in the country

GBP: GBP/USD rises for the third consecutive day despite mixed markets. BOE is expected to announce 50 bps rate hike as rents rise more than wages. Easing of financial services rules for London adds strength to the Cable pair's run-up. US consumer-centric data eyed ahead of the next week's key Fed, BOE meetings. GBP/USD stays on the front foot for the third consecutive day during early, despite the latest retreat from the intraday high surrounding 1.2270. In doing so, the Cable pair braces for the Bank of England's (BOE) hawkish move during its next week's monetary policy. Also favouring the quote buyers could be the overall weakness in the US Dollar amid recently downbeat US Treasury yields and softer data

EUR: EUR/USD grinds higher during three-day uptrend, braces for the third consecutive weekly run-up. Downbeat US data, Treasury bond yields weigh on US Dollar. Challenges to sentiment fail to renew greenback buying ahead of next week's FOMC. US data concerning consumer confidence, inflation expectations could help buyers keep the reins. EUR/USD buyers approach the five-month high marked on Monday amid the broad US Dollar weakness during early Friday. In doing so, the major currency pair prints the three-day winning streak after rising for two consecutive weeks in the last.

INR: USD/INR takes offers to refresh intraday low as riskier assets cheer US dollar weakness. Recovery in Crude Oil fails to challenge Indian Rupee buyers amid cautious optimism at home and abroad. US consumer sentiment, inflation expectations should be watched for fresh impulse. USD/INR cheers the US Dollar weakness as it drops to the lowest level in three days, around 81.15 during early Friday. In doing so, the Indian Rupee (INR) pair pays little heed to the firmer Oil price, which generally has inverse relations with the INR moves.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	120.80	126.70			
GBP/KES	147.00	156.80	GBP/USD	1.2300	1.2240
EUR/KES	127.20	135.00	EUR/USD	1.0625	1.0535
INR/KES		1.5785	AUD/USD	0.6745	0.6735
			USD/INR	81.15	81.20
			Commodities		
			Gold	1797	1782
			Brent Crude	76.71	77.85

T-Bills Rates:

Duration	Current	Previous
91 Days	9.327%	9.275%
182 Days	9.796%	9.752%
364 Days	10.245%	10.225%

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