

DAILY FOREX NEWSLETTER

Thursday 12th Jan 2023

The Kenyan shilling lost ground against the dollar on Wednesday, hitting a fresh all-time low due to increased foreign-currency demand from the energy and manufacturing sectors.

Top News:

- Asia-Pacific shares were mixed as investors look ahead to the U.S. consumer price index report Thursday. Economists expect inflation to have cooled in December, which could signal to the Federal Reserve that previous interest rates hikes have had their intended effects.
- Oil prices rose 3% to a one-week high on Wednesday as hopes for an improved global economic outlook and concern over the impact of sanctions on Russian crude output outweighed a massive surprise build in U.S. crude stocks.

International Markets

USD: Most Asian currencies crept higher on Thursday and the dollar fell in anticipation of data showing a further easing in U.S. consumer inflation, while the Japanese yen rallied sharply after the country logged a record-high current account surplus.

GBP: GBP/USD grinds near intraday high, snaps two-day losing streak. Bullish candlestick formation sustained bounce off key moving average favour buyers. Sellers remain off the table unless witnessing fresh monthly low. GBP/USD justifies the previous day's bullish candlestick formation above the 200-day Exponential Moving Average as it prints the first daily gains in three. That said, the Cable pair portrays mild gains near 1.2165 heading into Thursday's London open.

EUR: EUR/GBP is facing barricades while crossing the 0.8878-0.8882 hurdle. The 20-EMA at 0.8853 is providing support to the Euro bulls. A slippage of the RSI (14) into the 40.00-60.00 range indicates a loss in the upside momentum. The EUR/GBP pair is displaying back-and-forth moves around 0.8850 in the Asian session. The asset corrected after printing a fresh three-month high at 0.8885 on Wednesday. For the past eight trading sessions, the cross is struggling to extend upside above the critical resistance of 0.8880 comfortably.

INR: USD/INR seesaws near five-week low as bears take a breather after six-day downtrend. Upbeat Oil prices, unimpressive details from India join mixed China inflation to keep buyer's hopeful. Markets brace for softer US inflation, but a surprise can't be ruled out. USD/INR treads water around 81.65 as bears run out of steam after six-day dominance. In doing so, the Indian Rupee pair trades near the lowest level since early December while printing minor gains for the first time in over a week.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	123.50	129.50			
GBP/KES	148.50	157.50	GBP/USD	1.2198	1.2199
EUR/KES	131.50	139.90	EUR/USD	1.0795	1.0789
INR/KES		1.5925	AUD/USD	0.6955	0.6965
			USD/INR	81.07	81.15
			Commodities		
			Gold	1884	1877
			Brent Crude	82.73	79.35

T-Bills Rates:

Duration	Current	Previous
91 Days	9.392%	9.369%
182 Days	9.847%	9.834%
364 Days	10.369%	10.308%

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