

DAILY FOREX NEWSLETTER

Friday 17th Feb 2023

The Kenyan shilling eased against the dollar on Thursday as foreign-currency demand from the oil sector outstripped dollar inflows from tea exporters and remittances.

Top News:

- Asian equities slipped on Friday, while the dollar hovered around six-week highs as economic data and hawkish comments from Federal Reserve officials revived fears that the U.S. Central Bank will stick to its monetary tightening path .
- Oil prices were on track for weekly losses as strong U.S. economic data heightened concerns that the Federal Reserve would further tighten monetary policy to tackle inflation, a move that could hit fuel demand even as crude stockpiles grow.

International Markets

USD: The U.S. dollar held gains against a basket of currencies on Thursday, bolstered by stronger-than-expected producer prices and falling jobless claims, hinting that the Federal Reserve would have to maintain its inflation-fighting interest rate hikes for longer.

GBP: GBP/USD takes offers to refresh multi-day low, drops for the third consecutive day. Clear downside break of six-week-old trend line, bearish MACD signals favour sellers. Nearly oversold RSI (14) suggests limited room towards the south.50-SMA holds the key to buyer's conviction, 1.2000 threshold guard's immediate upside. GBP/USD stands on slippery grounds as it refreshes the 1.5-month low near 1.1950 during early Friday. In doing so, the Cable pair extends the previous day's downside break of a six-week-old ascending trend line during the three-day losing streak.

EUR: EUR/USD bears move in for the attack as US Dollar takes off. The bulls could be waiting at a confluence area near 1.0640.EUR/USD is under pressure while the US Dollar rides US Treasury yields higher in Asia which is seeing the greenback head for a third straight week of gains. At the time of writing, EUR/USD is trading at 1.06552 and has made a low of 1.0649

so far, sliding from 1.0675.

INR: USD/INR clings to mild gains during the first positive daily performance in three. Upbeat US data, hawkish Fed talks propel Treasury bond yields and the US Dollar. Sluggish Oil price, mixed sentiment in Asia fail to help Indian Rupee in extending previous gains. Light calendar ahead of next week's FOMC Minutes can keep buyer's hopeful. USD/INR remains mildly bid around 82.75-80, after a gap-up opening to 82.80, amid the broad US Dollar strength during early Friday. In doing so, the Indian Rupee (INR) pair snaps a two-day losing streak amid mostly downbeat sentiment.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	125.30	132.50			
GBP/KES	149.50	158.80	GBP/USD	1.1985	1.2088
EUR/KES	133.20	141.50	EUR/USD	1.0685	1.0745
INR/KES		1.6230	AUD/USD	0.6880	0.6944
			USD/INR	81.70	81.60
			Commodities		
			Gold	1826	1837
			Brent Crude	84.27	85.90

T-Bills Rates:

Duration	Current	Previous
91 Days	9.623%	9.601%
182 Days	10.079%	10.042%
364 Days	10.638%	10.603%

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