

DAILY FOREX NEWSLETTER

Monday 20th Feb 2023

The Kenyan shilling waned against the dollar on Friday, as foreign-currency demand across all sectors outpaced inflows.

Kenya may opt to issue a Eurobond with a different tenor to manage next year's maturity of a \$2 billion, 10-year bond, the director of its debt management office said.

Top News:

- Asian shares were hesitant on Monday as a U.S. holiday made for slow trading ahead of minutes of the last Federal Reserve meeting and a reading on core inflation that could add to the risk of interest rates heading higher for longer
- Oil prices were little changed in early Asian trade on Monday, after settling down \$2 a barrel on Friday, as rising supplies in the United States and forecasts of more interest rate hikes cooled optimism over China's demand recovery.

International Markets

USD: The dollar edged lower against the euro and sterling on Friday, as the market readjusts ahead of the long weekend and awaits clues on how the Federal Reserve plans to continue tackling still-high inflation.

GBP: GBP/USD takes offer to refresh intraday low, fades bounce off six-week low. Bearish MACD signals, sustained trading below the previous key support lines keeps seller's hopeful. 200-DMA, 100-DMA restrict Cable pair's short-term downside ahead of January's low. GBP/USD bears return to the desk, after the previous day's absence, as they approach the 1.2000 psychological magnet, down 0.20% intraday near 1.2020 during early Monday.

EUR: EUR/USD is looking to reclaim 1.0700 amid a recovery in the market mood. The USD Index has refreshed its day's low at 103.58 as the geopolitical tensions-inspired volatility has faded away. Goldman Sachs expects the Fed to raise interest rates three more times this year. The EUR/USD pair has attempted a recovery after dropping to near 1.0673 in the early European session. The major currency pair is looking to reclaim the round-level resistance of 1.0700 as the risk aversion theme has lost its traction

INR: USD/INR renews intraday low, after four-week uptrend, on technical breakdown. Downbeat oscillators add strength to the fall targeting 100-SMA, 200-SMA. Weekly descending trend line adds to the upside filters. USD/INR takes offers to refresh intraday low near 82.65 during the initial Indian trading session on Monday. In doing so, the Indian Rupee (INR) pair justifies the early day's downside break of a one-month-old ascending trend line to print the first daily loss after witnessing four consecutive weeks of a run-up.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	125.30	133.60			
GBP/KES	152.20	161.00	GBP/USD	1.2065	1.1985
EUR/KES	135.20	143.00	EUR/USD	1.0695	1.0685
INR/KES		1.6285	AUD/USD	0.6740	0.6880
			USD/INR	81.73	81.70
			Commodities		
			Gold	1841	1826
			Brent Crude	83.41	84.27

T-Bills Rates:

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

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