

DAILY FOREX NEWSLETTER

Thursday 23rd Feb 2023

The Kenya's shilling dropped to new all-time low on Wednesday due to a rise in dollar demand from general goods importers, petroleum-retailers, and manufacturing companies.

Top News:

- Asia-Pacific markets were mixed on Thursday as investors digested minutes released by the U.S. Federal Reserve that showed members are still committed to fighting inflation with rate hike.
- Oil prices fell by \$2 per barrel to their lowest in two weeks on Wednesday, as investors became more concerned that recent economic data will mean more aggressive interest rate increases by central banks, pressuring economic growth and fuel demand.

International Markets

USD: The dollar strengthened on Wednesday after U.S. Federal Reserve meeting minutes showed policymakers are determined to use a slower pace of interest-rate hikes to tame persistently high inflation.

GBP: GBP/USD retreats from intraday high as it pares the biggest weekly gains in five. Brexit deal talks stopped amid Tory revolt; UK nurses' pay negotiations criticized during Sunak's PMQs. Hawkish Fed Minutes, comments from policymakers join geopolitical fears to probe Cable buyers. US inflation expectations, absence of nuclear war fears put a floor under GBP/USD price. GBP/USD witnesses a pullback from intraday high to 1.2060 heading into Thursday's London open amid political and Brexit fears surrounding the UK. Also challenging the Cable buyers could be the broadly hawkish Federal Open Market Committee's (FOMC) Monetary Policy Meeting Minutes and geopolitical woes concerning the Ukraine-Russia war.

EUR: EUR/USD rebounds from seven-week low, grinds near intraday high. Retreat in US inflation expectations, yields jostle with hawkish FOMC Minutes, comments from Fed policymakers to tease buyers. Mixed German data, ECB speak fail to gain major attention. Receding fears of recession, nuclear war underpins cautious optimism and trigger corrective bounce of the Euro pair. EUR/USD prints mild gains around 1.0620 as it consolidates recent losses near the lowest levels in seven weeks during early Thursday. In doing so, the Euro pair cheers mildly positive sentiment in the market, as well as a lack of major data/events.

INR: The Indian rupee strengthened 0.1% versus the U.S. dollar helped by the recovery in its Asian peers.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	125.75	134.60			
GBP/KES	153.80	162.50	GBP/USD	1.2090	1.2145
EUR/KES	135.40	143.20	EUR/USD	1.0665	1.0695
INR/KES		1.6450	AUD/USD	0.6845	0.6865
			USD/INR	81.72	81.75
			Commodities		
			Gold	1828	1836
			Brent Crude	80.92	83.85

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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