

DAILY FOREX NEWSLETTER

Tuesday 28th Feb 2023

The Kenya's shilling weakened to a fresh low on Monday due to persistent importer demand for dollars, mainly from the oil sector.

Kenya's statistics office expected to release consumer inflation data for February. Inflation was 9.0% year-on-year in January.

Top News:

- Asian shares nudged higher on Tuesday, tracking small gains on Wall Street, while the U.S. dollar paused after a sharp rally as month-end flows lift sentiment and investors adjust to expectations of more interest rate hikes.
- Oil prices steadied in early Asian trade on Tuesday after falling on strong U.S. manufacturing data that raised worries about further interest rate hikes dampening demand, while analysts predicted another build in American crude inventories.

International Markets

USD: The dollar fell from a seven-week high on Monday, tracking a slide in U.S. Treasury yields, as investors consolidated gains after the greenback's recent rise and looked ahead for the release of jobs data and consumer prices for February.

GBP: GBP/USD remains side-lined after rising the most in seven weeks. UK PM Sunak manages to strike all-around acceptability with latest Brexit deal. Sluggish oscillators probe traders around previous resistance line. Key DMAs, support line challenge Cable bears despite snapping four-month uptrend in February. GBP/USD struggles to extend the Brexit deal-induced gains around 1.2050-60 during early Tuesday. Even so, the Cable pair defends the previous day's rebound from the key technical levels while also keeping the upside break of a short-term key resistance line, now support.

EUR: EUR/USD treads water after bouncing off 1.0530 support confluence, as well as crossing short-term resistance line. Downbeat oscillators, 50-day EMA challenge Euro bulls amid a quiet session. Bears have a bumpy road on their return unless breaking 1.0440 mark. EUR/USD bulls take a breather around 1.0600 during early Tuesday, after posting the biggest daily gain in nearly a month the previous day. Even so, the major currency pair remains on the way to posting the first monthly loss in five.

INR: The Indian rupee firmed against the U.S. currency on Tuesday, as a decline in the dollar index allowed risk assets to recover slightly.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	126.50	136.00			
GBP/KES	155.00	164.10	GBP/USD	1.2085	1.1985
EUR/KES	136.30	144.20	EUR/USD	1.0610	1.0585
INR/KES		1.6585	AUD/USD	0.6755	0.6746
			USD/INR	81.72	81.91
			Commodities		
			Gold	1808	1808
			Brent Crude	82.69	82.94

T-Bills Rates:

Duration	Current	Previous
91 Days	9.655%	9.623%
182 Days	10.117%	10.079%
364 Days	10.676%	10.638%

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