

DAILY FOREX NEWSLETTER

Tuesday 7th Feb 2023

The Kenya's shilling hit a new record low against the dollar on Monday before recovering, with increased foreign-currency demand from importers especially in the energy sector applying pressure.

Top News:

- Stocks in the Asia-Pacific traded mixed on Tuesday, as investors digested the Reserve Bank of Australia's interest rate hike of 25 basis points, broadly in line with expectations.
- Oil prices edged higher in choppy trading on Monday as markets weighed a return in demand from China against supply concerns and fears of slower growth in major economies curbing consumption.

International Markets

USD: The dollar jumped to a four-week high against the euro on Monday, as last week's blockbuster U.S. jobs report raised the likelihood of the U.S. Federal Reserve keeping on with its inflation-fighting interest rate hikes for longer.

GBP: GBP/USD picks up bids to refresh intraday high, snaps three-day downtrend to recover from one-month low. Nearly oversold RSI triggers corrective bounce but bears stay hopeful. Clear downside break of previous key support lines, bearish MACD signals favour sellers. Cable buyers remain confused unless crossing 1.2450 hurdle. GBP/USD consolidates recent losses while picking up bids to 1.2050 during early Tuesday morning in Europe, printing the first daily gains in four. In doing so, the Cable pair justifies the nearly oversold RSI (14) as traders await fresh clues.

EUR: EUR/USD retreats from intraday high, fades bounce off one-month low amid sluggish session. Cautious optimism, mixed concerns surrounding Fed, ECB probe Euro traders. Policymakers from ECB, Fed could entertain traders, but major attention will be given to the yields and risk catalysts. Pair sellers will seek confirmation of recently hawkish bias for the US Dollar, upbeat yields. EUR/USD fades the early Asian session recovery by retreating from the daily top. Even so, the major currency pair clings to the first daily gains in four around 1.0740 during early Tuesday in Europe.

INR: The Indian rupee was barely changed against the dollar on Tuesday, ahead of Federal Reserve Chair Jerome Powell's speech that will draw extra scrutiny on the back of an upbeat U.S. jobs report.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	125.50	131.60			
GBP/KES	149.80	158.60	GBP/USD	1.2085	1.2110
EUR/KES	133.60	141.40	EUR/USD	1.0785	1.0845
INR/KES		1.6230	AUD/USD	0.6965	0.6985
			USD/INR	81.75	81.42
			Commodities		
			Gold	1874	1876
			Brent Crude	81.75	80.11

T-Bills Rates:

Duration	Current	Previous
91 Days	9.581%	9.538%
182 Days	9.997%	9.954%
364 Days	10.55%	10.504%

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