

DAILY FOREX NEWSLETTER

Wednesday 15th March 2023

The Kenya's shilling eased against the dollar on Tuesday as foreign-currency demand from oil marketers and manufacturers outstripped supply from the tourism sector.

Top News:

- Asian equities rose sharply on Wednesday, tracking a relief rally on Wall Street and as U.S. inflation data delivered no nasty surprises, reinforcing hopes the Federal Reserve will likely go for a smaller rate hike when it meets next week.
- Oil prices rebounded more than 1% on Wednesday, recovering from the previous day's plunge, as a stronger OPEC outlook on China's demand helped offset bearish global investor sentiment in the wake of the recent U.S. bank failures.

International Markets

USD: The dollar traded little changed on Tuesday after strong consumer price data revived the likelihood that the Federal Reserve will hike interest rates next week as fears of turmoil spreading in the banking sector faded.

GBP: GBP/USD has continued to oscillate in the 50-pip range as investors await the UK budget for fresh impetus. The USD Index has printed a fresh monthly low at 104.33 as the odds of bigger rates announcement by the Fed have faded. UK's tax-free pension allowances would favour less early retirement. The GBP/USD pair has managed to defend its cushion around 1.2150 in the Asian session. The Cable is inside the woods, auctioning in a range of 1.2150-1.2200 for the past two trading sessions. A sheer volatility is expected from the cable as United Kingdom Finance Minister (FM) will announce the fiscal budget for CY2023.

EUR: EUR/USD clings to mild gains near one-month high, grinds near multi-day top of late.US Dollar traces downbeat Treasury bond yields as inflation data failed to bolster hawkish Fed bets. Receding fears of SVB, Signature Bank fallout also propel Euro prices.EU Industrial Production, US Retail Sales eyed for fresh impulse. EUR/USD pares intraday gains from the highest levels in one month as it slides to 1.0745 heading into Wednesday's European session. In doing so, the Euro pair struggles for clear directions even as the broadly weaker US Treasury bond yields and the US Dollar keep the bulls hopeful ahead of the key statistics from the Eurozone and the US.

INR: The rupee appreciated by 4 paise against the US dollar in early trade on Wednesday, tracking positive sentiments in the domestic equity market and relatively weaker dollar against major currencies.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	134.50	142.70			
GBP/KES	163.00	173.70	GBP/USD	1.2197	1.2175
EUR/KES	144.40	153.40	EUR/USD	1.0782	1.0755
INR/KES		1.7540	AUD/USD	0.6735	0.6698
			USD/INR	81.25	81.30
			Commodities		
			Gold	1900	1902
			Brent Crude	78.52	79.95

T-Bills Rates:

Duration	Current	Previous
91 Days	9.742%	9.698%
182 Days	10.216%	10.165%
364 Days	10.747%	10.690%

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