

DAILY FOREX NEWSLETTER

Wednesday 1st March 2023

The Kenya's shilling eased slightly on Tuesday as persistent dollar demand from fuel importers and manufacturers outstripped foreign-currency supply that mostly came from tourism and flower farms.

Kenya plans to change the government's debt ceiling from a fixed amount to a proportion of the county's gross domestic product to make debt management more sustainable, President William Ruto's office said on Tuesday.

Top News:

- Asian stocks rebounded from a two-month low on Wednesday as data showing China's manufacturing activity in February expanded at the fastest pace in more than a decade cheered investors, offsetting fears over rising interest rates.
- Oil prices rose for a second day on Wednesday as reports of expanding manufacturing activity in China, the world's biggest crude importer, boosted the outlook for global fuel demand.

International Markets

USD: The dollar ticked higher against major currencies in choppy trading on Tuesday, on track for its first monthly gain since September on views that interest rates will stay elevated for some time as inflation remains stubbornly high, while recession fears kept investors on edge.

GBP: GBP/USD remains pressured after reversing from the short-term key resistance confluence. Convergence of 200-EMA, one-month-old descending trend line challenges Cable buyers. Double bottoms around 1.1920-15 restricts short-term downside of the pair. GBP/USD holds lower ground near the intraday bottom surrounding 1.2010, picking up bids of late, as bears keep the reins during early Wednesday. In doing so, the Cable pair justifies the previous day's pullback from an important resistance, as well as the looming bear cross on the MACD.

EUR: EUR/USD prints mild gains to lick its wounds after the biggest monthly loss since the September. Repeated failures to cross 50-EMA, receding bullish bias of MACD keep seller's hopeful. Ascending support line from early January lures Euro sellers. EUR/USD picks up bids to refresh intraday high around 1.0580-85 as it prints mild gains to consolidate the biggest monthly slump fall in five during early Wednesday.

INR: The Indian rupee INR=IN strengthened 0.22% versus the U.S. dollar, tracking broad dollar losses and expectations of inflows. The benchmark BSE Sensex .BSESN rose 293.44 points, or 0.5%, to 59,255.56, while the broader NSE index .NSEI gained 105.55 points, or 0.61%, to 17,409.5, after eight consecutive sessions of losses, led by metals following strong manufacturing data from China, while a slowdown in domestic economic growth and persistent rate hike concerns capped gains

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	126.50	136.20			
GBP/KES	155.00	164.30	GBP/USD	1.2086	1.2085
EUR/KES	136.60	144.50	EUR/USD	1.0625	1.0610
INR/KES		1.6625	AUD/USD	0.6795	0.6755
			USD/INR	81.50	81.72
			Commodities		
			Gold	1831	1808
			Brent Crude	83.96	82.69

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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