

DAILY FOREX NEWSLETTER

Monday 6th March 2023

The Kenya's shilling dropped against the dollar on Friday on the back of scattered foreign-currency demand from several sectors particularly manufacturing.

Top News:

- Stocks in Asia-Pacific traded mixed on Monday as investors further digested China's growth target set in its parliamentary sessions and looked ahead to a week of economic data.
- Oil prices opened lower on Monday after China set a lower-than-expected target for economic growth this year at around 5%, and as investors cautiously awaited U.S. Federal Reserve Chair Jerome Powell's testimony this week.

International Markets

USD: The U.S. dollar made a tentative start to the week on Monday as investors awaited testimony from Federal Reserve Chair Jerome Powell and looked towards for a February jobs report that will likely influence how hawkish the U.S. central bank will be.

GBP: GBP/USD holds lower ground near intraday bottom after snapping two-week downtrend. Doubts about Brexit deal's passage and its practice challenge UK PM Sunak's accord with EU. Mixed US data, chatters over Fed policy pivot tease buyers ahead of top-tier data/events from Washington. UK data-dump for January could direct Cable traders amid likely disappointment from British politics. GBP/USD prints mild losses around 1.2030-35 during early Monday, consolidating the first weekly gains in three amid the market's cautious mood ahead of the key catalysts, as well as fading Brexit optimism. Adding filters to the latest market moves could be the downbeat US Treasury yields, extending the previous week's pullback from a multi-month high, as well as the minor losses of the US stock futures

EUR: EUR/USD picks up bids to print mild gains while extending the previous weekly recovery. 100-SMA, one-month-old descending resistance line restrict immediate upside. Sluggish MACD signals join sustained trading below two-month-long horizontal hurdle, 200-SMA to keep bears hopeful. EUR/USD rebound pokes the 100-SMA hurdle around 1.0650 heading into Monday's European session.

INR: USD/INR bounces off multi-day low to consolidate the first weekly loss in six. Convergence of 100-DMA, 23.6% Fibonacci retracement guards' recovery moves. A 4.5-month-old symmetrical triangle advocates volatility; 200-DMA appears extra filter towards the south. USD/INR prints mild gains around 81.85 as the bears lick their wounds early Monday. In doing so, the Indian Rupee (INR) pair rebounds from the lowest levels since February 02, marked the previous day, to consolidate the biggest weekly loss since early November. It's worth noting that the quote marked the first weekly negative closing in six by the end of Friday's North American session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.50	137.20			
GBP/KES	156.00	165.30	GBP/USD	1.2085	1.2035
EUR/KES	138.20	146.20	EUR/USD	1.0689	1.0635
INR/KES		1.6820	AUD/USD	0.6797	0.6784
			USD/INR	81.17	81.25
			Commodities		
			Gold	1854	1838
			Brent Crude	85.04	84.55

T-Bills Rates:

Duration	Current	Previous
91 Days	9.698%	9.655%
182 Days	10.165%	10.117%
364 Days	10.690%	10.676%

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