

DAILY FOREX NEWSLETTER

Wednesday 19th April 2023

The Kenyan shilling was little changed on Tuesday, though foreign-currency demand from manufacturers and other importers meant the bias was towards the weaker side.

International Markets

- Asia-Pacific markets traded mixed on Wednesday as Wall Street's earnings season continued, and U.S. Federal Reserve officials delivered mixed signals on future rate hike.
- Oil prices rose in early Asian trade on Wednesday as U.S. crude inventories were seen falling and on strong Chinese economic data, signaling strengthening fuel demand.

USD: Most Asian currencies retreated on Wednesday, while the dollar firmed slightly as uncertainty over rising U.S. interest rates battered risk-heavy assets, with focus now turning to a slew of economic indicators due this week.

GBP: GBP/USD traders await UK inflation data in CPI. The markets are pricing in a 25bp hike from the BoE at May 11 meeting. GBP/USD was last trading at 1.2425, flat on the day, and had traveled from a low of 1.2366 to a high of 1.2449 overnight as the markets digest UK data and look to the next set of ammunition in today's inflation report.

EUR: EUR/USD is facing hurdles while stretching its recovery above 1.0980 as USD Index has rebounded S&P500 futures are adding losses as investors have turned more cautious after disappointing quarterly results. The commentary from Fed Bullard curtailed the risk of recession in the second half of 2023. The EUR/USD pair is facing barricades in extending its recovery above the immediate resistance of 1.0980 in the early European session. The upside in the major currency pair looks capped as US Dollar Index (DXY) has shown strength after a correction to near 101.65.

INR: USD/INR has printed a fresh weekly high at 82.11 amid a recovery in the USD Index. The Fed is not expected to pause rate hikes sooner despite a deceleration in inflation and easing labor market conditions. The Indian Rupee is failing to show resilience despite the buying spree from FIIs. The USD/INR pair has printed a fresh weekly high at 82.11 in the opening session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	133.30	136.00			
GBP/KES	164.50	169.25	GBP/USD	1.2445	1.2425
EUR/KES	145.30	149.50	EUR/USD	1.0980	1.0985
INR/KES		1.6700	AUD/USD	0.6765	0.6755
			USD/INR	81.85	81.75
			Commodities		
			Gold	2003	1999
			Brent Crude	84.55	84.91

T-Bills Rates:

Duration	Current	Previous
91 Days	10.072%	10.004%
182 Days	10.428%	10.368%
364 Days	10.932%	10.857%

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