

DAILY FOREX NEWSLETTER

Wednesday 26th April 2023

The Kenya's shilling nudged lower against the dollar on Tuesday, as foreign currency demand mainly by fuel importers and companies meeting month-end demand outpaced meagre inflows.

International Markets

- U.S. stock futures bounced as buybacks and earnings beats boosted tech giants in after-hours trade, although Asian shares wallowed at one-month lows on Wednesday, with investors turning nervous on the outlook for the world's two biggest economies.
- Oil rose on Wednesday after plunging more than 2% in the previous session as reports of falling U.S. crude oil and fuel inventories refocused investors on robust demand in the world's top oil consumer.

USD: The safe-haven dollar and yen rose on Tuesday as market sentiment turned risk-averse amid renewed worries about the banking sector and the outlook for the global economy, which knocked the euro off a nearly 10-month high.

GBP: GBP/USD licks its wounds after falling the most in eight days. UK's political crisis, banking fears and lack of hawkish BoE statements prod Cable pair's corrective bounce. Market's consolidation defends GBP/USD but US Durable Goods Orders, risk catalysts are more important for clear directions. GBP/USD steadiness around 1.2410-15 heading into Wednesday's London open as bears take a breather after cheering the biggest daily slump in a week. In doing so, the Cable pair benefits from the market's consolidation ahead of the US Durable Goods Orders for March.

EUR: EUR/USD remains sidelined after posting the biggest daily slump in six weeks. 50-SMA, 100-SMA restrict immediate Euro moves while defending buyers past one-month-old ascending support line. Downbeat oscillators, failure to pick-up bids keep EUR/USD bears hopeful. US Durable Goods Orders for March will provide early signals for the key US Q1 GDP. EUR/USD treads water around 1.0980 heading into Wednesday's European session as bears take a breather after posting the biggest daily loss in 1.5 months.

INR: USD/INR is attempting a break above 82.00 ahead of US Durable Goods Orders data. An expansion in orders for Durable Goods to manufacturers indicates strong demand from households. Bottoming out US real estate despite higher interest rates from the Fed indicates that recession is not in picture for now.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	134.60	137.20			
GBP/KES	166.10	170.80	GBP/USD	1.2456	1.2535
EUR/KES	146.80	151.00	EUR/USD	1.1020	1.1087
INR/KES		1.6785	AUD/USD	0.6655	0.6695
			USD/INR	81.67	81.75
			Commodities		
			Gold	1996	1991
			Brent Crude	81.17	82.64

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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