

DAILY FOREX NEWSLETTER

Thursday 27th April 2023

The Kenya's shilling slipped lower against the dollar on Wednesday, as companies required hard currency to meet end-month payments, while fuel and merchandise importers also sought foreign exchange.

International Markets

- Asian shares extended losses on Thursday as troubles at U.S. lender First Republic Bank FRC.N continued to unnerve investors amid concerns that growth in the world's biggest economy could very well surprise to the downside.
- Oil prices rose slightly on Thursday, finding some support after heavy losses in the previous two sessions that were driven by fears of a U.S. recession and an increase in Russian oil exports which dulled the impact of OPEC production cuts.

USD: Most Asian currencies moved in a flat-to-low range on Thursday amid persistent fears of slowing economic growth and rising interest rates, while the dollar steadied ahead of key economic readings on growth and inflation due later in the day.

GBP: GBP/USD takes offers to pare the biggest daily gain in three weeks, prints minor losses of late. Mixed sentiment, concerns about US default and mostly upbeat US data allow Cable to retreat. US Dollar struggles for clear direction amid cautious mood ahead of US Q1 GDP, dicey market elsewhere. GBP/USD struggles to defend the previous day's gains, the heaviest in three weeks, as the US Dollar buyers turn cautious ahead of the key US Q1 GDP. That said, the Pound Sterling remains mildly offered around 1.2465 amid early Thursday.

EUR: EUR/USD picks up bids to refresh intraday high, reverses late Wednesday's retreat from multi-month peak. Gradually escalating odds of the ECB's 0.50% rate hike, mixed US data allow Euro buyers to keep the reins. Cautious optimism amid US debt ceiling concerns, fears emanating from First Republic Bank propel EUR/USD bulls. US Q1 GDP Annualized can bolster Euro's bullish power on negative surprise. EUR/USD stays on the front foot around the mid-1.1000s as buyers resume a run-up targeting the highest levels since March 2022, following the previous day's retreat from 1.1095, amid early Thursday morning in Europe.

INR: USD/INR is hovering near a 10-day low of 81.65 as weaker oil prices have supported the Indian rupee. The USD Index has gradually corrected amid an improvement in market sentiment. Lower US GDP data will strengthen the case for neutral interest rate guidance from the Fed. The USD/INR pair is auctioning near a 10-day low of 81.65 in the Asian session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	134.60	137.30			
GBP/KES	166.90	171.40	GBP/USD	1.2510	1.2456
EUR/KES	147.80	152.05	EUR/USD	1.1095	1.1020
INR/KES		1.6845	AUD/USD	0.6650	0.6655
			USD/INR	81.45	81.67
			Commodities		
			Gold	1999	1996
			Brent Crude	77.89	81.17

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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