

DAILY FOREX NEWSLETTER

Tuesday 16th May 2023

The Kenyan shilling weakened on Monday to a new low against the dollar, due to increased demand from oil retailing companies and general goods importers.

International Markets

- Asia-Pacific markets are trading mixed as investors digest key economic releases from China that missed estimates despite market expectations of a further rebound growth.
- Oil prices rose for a second day early on Tuesday, as U.S. plans to purchase oil for the Strategic Petroleum Reserve, or SPR, lent support while raging wildfires in Canada fueled supply worries.

USD: The dollar fell from a five-week high on Monday, as investors consolidated gains made last week on the greenback and awaited news from Washington on how to address the debt ceiling issue, which could force the U.S. government to default on its debt if not resolved.

GBP: GBP/USD inverse head and shoulders in the making on the 4-hour chart. GBP/USD bulls could be about to move in again around the 1.2500s. As per the prior analysis, GBP/USD Price Analysis: Bulls looking for the deceleration in supply, eye 1.2500, whereby the pair was running into a potential area of support.

EUR: EUR/USD picks up bids to extend week-start rebound from monthly low. Euro bulls cheer upbeat EC economic forecasts and downbeat US data to ignore softer Eurozone, German catalysts. Looming fears of US debt ceiling talks going haywire weigh on US Dollar. Hopes of upbeat Eurozone Q1 GDP, softer US Retail Sales also weigh on the EUR/USD price. EUR/USD remains firmer for the second consecutive day around 1.0880 as it defends the previous day's U-turn from a five-week low heading into Tuesday's European session.

INR: USD/INR prints the first daily loss in four, retreats from 1.5-month high. Softer India inflation figures, Fed's dovish hike allow RBI to defend current inaction. WTI crude oil retreat, downbeat US data and mixed Fed speak allows Indian Rupee to regain upside momentum. US debt ceiling talks, Retail Sales in the spotlight for fresh impulse. USD/INR holds lower ground near the intraday low of 82.20 as it snaps a three-day uptrend during early Tuesday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	135.00	138.75			
GBP/KES	169.40	174.20	GBP/USD	1.2545	1.2479
EUR/KES	147.20	151.55	EUR/USD	1.0920	1.0875
INR/KES		1.6956	AUD/USD	0.6725	0.6687
			USD/INR	81.92	81.97
			Commodities		
			Gold	2010	2017
			Brent Crude	74.62	73.73

T-Bills Rates:

Duration	Current	Previous
91 Days	10.410%	10.318%
182 Days	10.853%	10.678%
364 Days	11.270%	11.170%

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