

# DAILY FOREX NEWSLETTER

May 3rd May 2023

The Kenya's shilling held steady on Tuesday, but it was expected to weaken due to increased demand for dollars from energy importers.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	134.60	137.30			
GBP/KES	167.00	171.70	GBP/USD	1.2530	1.2545
EUR/KES	147.40	151.50	EUR/USD	1.1042	1.1025
INR/KES		1.6845	AUD/USD	0.6725	0.6745
			USD/INR	81.55	81.45
			Commodities		
			Gold	2015	1983
			Brent Crude	75.34	79.33

## T-Bills Rates:

Duration	Current	Previous
91 Days	10.275%	10.159%
182 Days	10.511%	10.477%
364 Days	11.124%	11.059%

## International Markets

- Oil prices extended losses on Wednesday, after slumping about 5% to a five-week low in the previous session, as investors braced for more rate hikes this week that could dent energy demand.
- Asia-Pacific markets largely fell Wednesday as investors look ahead to the U.S Federal Reserve's policy decision overnight.

**USD:** The dollar fell Tuesday after data showed that U.S. job openings fell in March, a day before the Federal Reserve is expected to hike interest rates by an additional 25 basis points.

**GBP:** GBP/USD picks up bids to refresh intraday high, snaps two-day downtrend. White House Official blames Fed's higher rates as having negative impact on banking. BoE versus Fed divergence allows Cable buyers to remain hopeful. US ADP Employment Change, PMIs can entertain traders ahead of the Fed's verdict. GBP/USD takes the bids to renew intraday high near 1.2490 as it cheers the broad US Dollar weakness ahead of the key Federal Open Market Committee (FOMC) monetary policy meeting announcements.

**EUR:** EUR/USD picks up bids to refresh intraday high, extends previous day's recovery. Mixed Eurozone inflation, doubts over Fed and ECB's role in banking fallouts challenge Euro pair buyers. US default fears, anxiety ahead of FOMC also act as additional checks for buyers. US ADP Employment Change, ISM Services PMI can entertain EUR/USD traders, bulls eye clues for Fed's policy pivot. EUR/USD cheers broad US Dollar weakness as it prepares for the key Federal Open Market Committee (FOMC) monetary policy meeting announcements early Wednesday, picking up bids to refresh intraday high near 1.1025 by the press time.

**INR:** USD/INR is confidently defending its immediate support of 81.70 despite a weak USD Index and a nosedive move in the oil price. A minor recovery in the S&P500 futures could be a dead cat bounce move as US equities were heavily beaten on Tuesday. Rising concerns over the US debt ceiling have heavily weighed on Treasury yields. The USD/INR pair has rebounded after dropping to near 81.70 in the Asian session.

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