

DAILY FOREX NEWSLETTER

May 8th May 2023

The Kenya's shilling was stable on Friday, and it was forecast to lose ground, undermined by increased demand for dollars from oil retailers and other importers.

International Markets

- Asian shares crept higher on Monday as investors braced for a week where U.S. inflation data will test wagers the next move in interest rates will be down, while worries about a possible credit crunch weighed on the dollar.
- Oil prices rose slightly on Monday as traders remained cautious despite receding fears of a recession in the U.S., which drove prices down for three straight weeks for the first time since November.

USD: The dollar gave back earlier gains against the euro but stayed stronger against the yen on Friday after jobs gains and wage growth for April beat economists' forecasts but showed downward jobs revisions for March.

GBP: GBP/USD struggles for clear directions after refreshing one-year high. Overbought RSI, easing bullish bias of MACD teases Cable pair sellers to aim for previous resistance line from April. Buyers will be off guard on 200-SMA breakdown. GBP/USD trends water around 1.2630 while portraying the market's anxiety ahead of the key UK data/events, amid Monday's holiday in Britain.

EUR: EUR/USD picks up bids to refresh intraday high, extends Friday's rebound towards multi-month high marked late April. US Dollar bears the burden of mixed jobs report, mixed feelings about US debt ceiling and bank crisis. Hawkish ECB rate hike contrasts with Fed's dovish rate lift to propel Euro price. ECB's Knot, Fed's Bullard praise higher rates, highlighting the importance of US inflation figures. EUR/USD bulls keep the reins around 1.1040 as it renews intraday high during a sluggish start to the key week, rising 0.15% on a day heading into Monday's European session.

INR: The Indian rupee INR=IN strengthened 0.11% versus the U.S. dollar to 81.72 on dollar offers by foreign banks, likely for their custodial clients. Benchmark 10-year bond IN072633G=CC was quoted at 101.61 rupees, with yield up 1 bps at 7.0267% on the back of a rise in U.S. yields

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	134.60	137.45			
GBP/KES	169.30	174.10	GBP/USD	1.2691	1.2649
EUR/KES	147.80	152.00	EUR/USD	1.1083	1.1184
INR/KES		1.6845	AUD/USD	0.6797	0.6768
			USD/INR	81.42	81.46
			Commodities		
			Gold	2022	2047
			Brent Crude	75.69	73.18

T-Bills Rates:

Duration	Current	Previous
91 Days	10.318%	10.275%
182 Days	10.678%	10.511%
364 Days	11.170%	11.124%

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