

# DAILY FOREX NEWSLETTER

Monday 12<sup>th</sup> June 2023

The Kenyan shilling inched lower on Friday, heading for another day of losses.

## International Markets

- Asian shares started tentatively on Monday as investors braced for central bank meetings from Europe, Japan and the United States this week, along with U.S. inflation data that will likely influence the Federal Reserve's monetary policy path.
- Oil prices edged lower on Monday ahead of a Federal Reserve meeting as investors try to gauge the central bank's appetite for further rate hikes, while concerns about China's fuel demand growth and rising Russian crude supply weighed on the market.

**USD:** Most Asian currencies retreated on Monday as traders favored the dollar ahead of more key cues on U.S. monetary policy this week, while the Chinese yuan was hit by growing expectations for a rate cut by the People's Bank.

**GBP:** GBP/USD retreat from the highest level in a month, snaps three-day uptrend. UK's economic fears join US Dollar consolidation to push back Cable buyers. Six-week-old horizontal resistance challenges Pound Sterling bulls amid overbought RSI. Sellers need validation from 200-SMA to retake control. GBP/USD holds lower ground near the intraday bottom as it prints the first daily loss in four amid early Monday in Europe, mildly offered near 1.2570 at the latest.

**EUR:** EUR/USD grinds lower within bearish chart formation ahead of US inflation, Fed and ECB announcements. Looming bear cross on MACD, RSI retreat from overbought territory favor sellers. 50-SMA adds strength to 1.0720 support; Euro buyers have a bumpy road to travel. EUR/USD takes offers to refresh intraday low as it prints mild losses near 1.0745 while extending the previous day's fall amid early Monday.

**INR:** USD/INR clings to mild gains after two-day losing streak. RBI status quo, hawkish signal fail to impress Indian Rupee buyers much. Expectations of no rate hike from Fed in June weigh on prices but US inflation data appears crucial for clear directions. India CPI, Output data can entertain USD/INR traders ahead of Tuesday's key US Core CPI. USD/INR remains depressed while paring the losses marked in the last two consecutive days, mildly bid near 82.45 amid early Monday.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	137.00	140.90			
<b>GBP/KES</b>	173.05	177.50	<b>GBP/USD</b>	1.2595	1.2590
<b>EUR/KES</b>	148.00	151.80	<b>EUR/USD</b>	1.0785	1.0795
<b>INR/KES</b>		1.7250	<b>AUD/USD</b>	0.6788	0.6745
			<b>USD/INR</b>	82.07	82.12
			<b>Commodities</b>		
			<b>Gold</b>	1959	1964
			<b>Brent Crude</b>	3.77	75.51

## T-Bills Rates:

Duration	Current	Previous
91 Days	11.414%	11.103%
182 Days	11.548%	11.112%
364 Days	11.608%	11.497%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/, D/L 020-2223409/2213470 or general nos. 2228461/2