

DAILY FOREX NEWSLETTER

Tuesday 13th June 2023

The Kenya's shilling was steady on Monday, and it was expected to weaken during the session due to increased demand for dollars from general goods importers and fuel retailing companies.

International Markets

- Japan's Nikkei 225 rose 1.75% in Tuesday's afternoon, topping the key psychological mark of 33,000 points for the first time since July 1990. The Topix was 1.14% higher.
- European markets are heading for a higher open as investors prepare for the latest meeting of the U.S. Federal Reserve that begins Tuesday.

USD: The dollar inched higher on Monday, trading in a narrow range as investors remained cautious ahead of several key policy decisions due this week, with the Federal Reserve expected to keep rates on hold for the first time since January 2022.

GBP: GBP/USD picks up bids to reverse the week-start retreat from monthly high, pares the biggest daily loss in over a week. Bullish MACD signals, sustained trading within fortnight-long ascending trend channel keeps Cable buyers hopeful. UK employment numbers need to defend hawkish BoE bias to push back the Pound Sterling bears. Cable pair's bearish momentum hinges on 1.2420 break and the FOMC. GBP/USD clings to mild gains around 1.2520 as the Cable traders await the UK employment report on early Tuesday.

EUR: EUR/USD attracts buyers for the second successive day in the wake of fresh USD selling. The Fed rate hike uncertainty drags the US bond yields lower and weighs on the Greenback. The prospects for further tightening by the ECB underpin the Euro and remain supportive. Traders now look to the German ZEW survey for some impetus ahead of the US CPI report. The EUR/USD pair regains positive traction following the previous day's late pullback from a two-and-half-week top and builds on its steady intraday ascent through the Asian session on Tuesday.

INR: USD/INR clings to mild gains during the first daily run-up in four. Convergence of 200-SMA, bottom of monthly symmetrical triangle restricts immediate downside. 100-SMA, triangle's top line challenge Indian Rupee bears. Softer India inflation lures USD/INR buyers ahead of US CPI. USD/INR prints mild gains around 82.45 as it extends the early-day rebound from the short-term key support confluence heading into Tuesday's European session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	137.40	140.90			
GBP/KES	172.30	176.80	GBP/USD	1.2580	1.2595
EUR/KES	148.20	152.40	EUR/USD	1.0820	1.0785
INR/KES		1.7250	AUD/USD	0.6825	0.6788
			USD/INR	82.10	82.07
			Commodities		
			Gold	1958	1959
			Brent Crude	72.19	73.77

T-Bills Rates:

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

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