

DAILY FOREX NEWSLETTER

Wednesday 14th June 2023

The Kenya's shilling weakened on Tuesday undermined by demand for dollars, especially from the manufacturing and energy sectors.

International Markets

- Asia-Pacific markets were mixed as the inflation in the U.S. rose at a 4% annual rate in May, the lowest in two years, giving room for the Federal Reserve to pause and skip a rate hike in its June meeting..
- European markets are heading for a negative open Wednesday as investors look ahead to the latest monetary policy decision from the U.S. Federal Reserve.

USD: Most Asian currencies rose slightly on Wednesday, while the dollar hovered near three-week lows as soft U.S. inflation reading spurred increased bets that the Fed will pause its rate hike cycle later in the day.

GBP: GBP/USD seesaws around the highest levels in over a month amid cautious markets ahead of UK GDP, Fed. Market's reassessment of BoE vs. Fed divergence also prods Cable buyers on the key data. Pound Sterling can remain firmer unless UK's economic fears, hawkish surprise from Fed rattle market. GBP/USD aptly portrays the Fed day anxiety as it makes rounds to 1.2610 during early Wednesday.

EUR: EUR/USD seesaws around three-week high amid pre-Fed anxiety. Overbought RSI, 200-EMA prods Euro bulls within two bullish channels. Euro bears need validation from 1.0700 and the FOMC to retake control. EUR/USD treads water around 1.0800 as it struggles to extend the two-day winning streak near the highest levels since late May amid early Wednesday. In doing so, the Euro pair aptly portrays the market's cautious mood ahead of the Federal Open Market Committee (FOMC) monetary policy meeting.

INR: The Indian rupee strengthened marginally against the dollar on June 14 morning, tracking gains in the local markets and ahead of the US Federal Reserve policy meetings.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	137.40	141.20			
GBP/KES	173.50	178.20	GBP/USD	1.2645	1.2580
EUR/KES	148.50	152.50	EUR/USD	1.0795	1.0820
INR/KES		1.7250	AUD/USD	0.6798	0.6825
			USD/INR	82.05	82.10
			Commodities		
			Gold	1946	1958
			Brent Crude	74.58	72.19

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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