

# DAILY FOREX NEWSLETTER

Friday 16<sup>th</sup> June 2023

The Kenya's shilling lost ground on Thursday as dollar demand from the energy sector and manufacturers exerted pressure on the currency.

## International Markets

- Asia-Pacific markets are higher Friday, as the Bank of Japan again left its benchmark interest rate unchanged at -0.1%
- Gold bounced back from a three-month low on Thursday as the dollar and bond yields moved lower after U.S. economic data, offering investors respite from a 'hawkish pause' on interest rates by the Federal Reserve

**USD:** Most Asian currencies fell on Friday, relinquishing some gains from the prior session as uncertainty over the path of U.S. interest rates persisted, while the Japanese yen edged lower as the Bank of Japan kept its ultra-loose policy.

**GBP:** GBP/USD struggles for clear directions at the highest levels since April 2022, snaps three-day uptrend. Downbeat US Dollar, hawkish hopes from BoE versus doubts about Fed's July rate hike previously favored Cable bulls. Market's consolidation of weekly performance, cautious mood ahead of UK/US data prod Pound Sterling traders. GBP/USD steadies near the highest level in 14 months, making rounds to 1.2780-70 amid early Friday morning in London, as the Cable pair traders await more clues to defend the previous day's heavy rally.

**EUR:** EUR/USD bulls run out of steam inside seven-week-old horizontal resistance region. Overbought RSI, market's consolidation after ECB, Fed moves challenge Euro pair's further upside. 78.6% Fibonacci retracement acts as additional challenge for buyers; Euro bears remain off the table beyond 1.0820 support confluence. Final prints of Eurozone inflation, US Michigan Consumer Sentiment Index waited for clear directions. EUR/USD treads water around mid-1.0900s during a sluggish early Friday morning in Europe. In doing so, the Euro pair struggles to extend the previous day's run-up, the biggest since early February, while making rounds to a five-week high.

**INR:** USD/INR pares intraday gains to revisit multi-day low marked the previous day. US Dollar fails to cheer hawkish Fed bets amid mixed US data. Market's cautious optimism, upbeat energy prices allow Indian Rupee to grind at the highest levels since May 09. Mid-tier US data eyed ahead of next week's Fed Chair Powell's Testimony. USD/INR remains on the back foot at the lowest levels in five weeks, fading bounce off intraday low to 81.95 early Friday morning in Europe.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	138.50	142.00			
<b>GBP/KES</b>	177.00	181.70	<b>GBP/USD</b>	1.2845	1.2667
<b>EUR/KES</b>	151.55	155.60	<b>EUR/USD</b>	1.0983	1.0842
<b>INR/KES</b>		1.7385	<b>AUD/USD</b>	0.6940	0.6846
			<b>USD/INR</b>	81.55	81.95
			<b>Commodities</b>		
			<b>Gold</b>	1956	1932
			<b>Brent Crude</b>	75.44	73.03

## T-Bills Rates:

Duration	Current	Previous
91 Days	11.640%	11.414%
182 Days	11.649%	11.548%
364 Days	11.734%	11.608%

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