

DAILY FOREX NEWSLETTER

Thursday 22nd June 2023

The Kenya's shilling largely held its ground on Wednesday amid diminished foreign exchange appetite from fuel importers.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	138.60	142.30			
GBP/KES	177.00	181.70	GBP/USD	1.2795	1.2805
EUR/KES	151.40	155.40	EUR/USD	1.1020	1.0944
INR/KES		1.7353	AUD/USD	0.6795	0.6815
			USD/INR	81.45	81.55
			Commodities		
			Gold	1928	1936
			Brent Crude	76.74	76.26

T-Bills Rates:

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

International Markets

- Asia-Pacific markets largely rose after U.S. Federal Reserve Chairman Jerome Powell forecast more rate hikes this year, saying that "the process of getting back down to 2% has a long way to go."
- Oil prices held on to most of the previous day's gains in early trade on Thursday as markets weighed an unexpected draw in U.S. crude oil stocks against the prospect of weaker demand after the Federal Reserve chairman hinted at further interest rate hikes

USD: The U.S. dollar fell against a basket of currencies on Wednesday after Federal Reserve Chair Jerome Powell's comments on the Central Bank's ongoing fight to lower inflation failed to live up to the more hawkish market expectations.

GBP: GBP/USD oscillates in a narrow trading band ahead of the key BoE decision on Thursday. Rising bets for a jumbo 50 bps lift-off continue to underpin the GBP and act as a tailwind. The USD languishes near the monthly low and further lends some support to the major. The GBP/USD pair struggles to capitalize on the previous day's goodish rebound from sub-1.2700 levels, or the weekly low and oscillates in a narrow trading band through the Asian session on Thursday.

EUR: EUR/USD remains on the foot at the highest levels in seven weeks despite recent inaction after refreshing multi-day top. Multiple ECB hawks cite inflation pressure to emphasize the need for higher rates. Fed Powell failed to impress markets with repeated remarks in bi-annual testimony. Fears of German recession, US-China tussles prod Euro buyers amid a likely sluggish day ahead. EUR/USD refreshes the highest level since May 11 as it rises to 1.0997 during early Thursday, after snapping a three-day downtrend with the biggest daily jump in a week the previous day.

INR: USD/INR bears keep the reins at weekly low despite recent inaction. 10-week-old ascending support line, horizontal support zone challenge Indian Rupee bulls. Key SMAs, descending trend line from late May restrict immediate upside. Oscillators suggest limited downside room and highlight previous monthly lows. USD/INR bears flirt with the short-term key supports around 81.90 amid the sluggish Asian session during early Thursday, mainly due to China's holiday and cautious mood ahead of the key central bank announcements.

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