

DAILY FOREX NEWSLETTER

Friday 23rd June 2023

The Kenya's shilling eased on Thursday as the energy sector and other merchandise importers sought foreign exchange amid a paucity of supply.

International Markets

- Asia-Pacific markets were lower Friday as investors look to inflation data out of Japan and Singapore, as well as flash estimates from the au Jibun bank on Japan's manufacturing and services activity.
- European markets closed lower Thursday as the Bank of England opted for a more hawkish 50 basis point rate hike.

USD: Most Asian currencies fell on Friday and the dollar strengthened after Federal Reserve Chair Jerome Powell reiterated the need for more rate hikes, while a bigger-than-expected rate hike from the Bank of England also rattled sentiment.

GBP: GBP/USD is gauging support near 1.2700, however, the downside seems favored due to the risk-aversion theme. On Thursday, the BoE surprisingly announced a fat rate hike and push interest rates to 5%. GBP/USD has shown a perpendicular fall after forming a Double Top chart pattern. The GBP/USD pair has shown a vertical fall to near the round-level support of 1.2700 due to the risk-aversion theme in the Asian session.

EUR: EUR/USD drifts lower for the second successive day and is weighed down by a stronger USD. The Fed's hawkish outlook and the risk-off impulse, continue to underpin the safe-haven buck. Bets for additional ECB rate hikes could limit losses ahead of the flash Eurozone/US PMI prints. The EUR/USD pair extends the overnight retracement slide from a six-week peak - levels just above the 1.1000 psychological mark - and drifts lower for the second successive day on Friday.

INR: USD/INR grinds near intraday high while positing the biggest daily gains in three weeks. Softer Oil price hopes of improving US-India ties fail to inspire Indian Rupee buyers. US Dollar Index (DXY) eyes the first weekly loss in four as central banks roil market sentiment. Preliminary PMIs for June, risk catalysts eyed for clear directions. USD/INR bulls are back with a bang as the Indian Rupee (INR) prints the biggest daily slump, so far, in three weeks amid early Friday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	138.60	142.30			
GBP/KES	176.30	181.20	GBP/USD	1.2742	1.2795
EUR/KES	151.70	155.70	EUR/USD	1.0965	1.1020
INR/KES		1.7353	AUD/USD	0.6743	0.6795
			USD/INR	81.55	81.45
			Commodities		
			Gold	1916	1928
			Brent Crude	73.36	76.74

T-Bills Rates:

Duration	Current	Previous
91 Days	11.785%	11.640%
182 Days	11.863%	11.649%
364 Days	11.934%	11.734%

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