

# DAILY FOREX NEWSLETTER

Tuesday 6<sup>th</sup> June 2023

The Kenyan shilling remained under pressure on Monday, with persistent foreign-currency demand from the energy and manufacturing sectors.

## International Markets

- Asia-Pacific markets were largely lower on Tuesday, tracking moves on Wall Street after the S&P 500 erased earlier gains that brought the benchmark index to trade at its highest level on an intraday basis in nine months.
- European stocks are heading for a mixed open Tuesday, echoing similar downbeat sentiment in other global markets.

**USD:** The dollar languished well below last week's 2-1/2-month highs on Tuesday after unexpectedly soft U.S. services data firmed up expectations for a rate pause at the Federal Reserve's meeting next week but clouded the policy outlook for the months ahead.

**GBP:** GBP/USD bulls press up against key resistance. Bears lurking and eye a move into length. GBP/USD started the week off by dropping below 1.24, approaching a two-month low of 1.2306 reached on May 25th, as investors perceive a narrowing interest rate gap between the US and the UK. However, the Pound recovered those losses on the back of the weaker US dollar and data that put the Fed back into the spotlight on a dovish tip.

**EUR:** EUR/USD picks up bids to extend week-start rebound, struggles to keep buyers hopeful of late. Recently weak risk catalysts weighed on Euro pair, but downbeat US data defends buyers. Second-tier German, European statistics eyed for clear directions as ECB hawks fail to impress EUR/USD bulls. EUR/USD grinds higher past 1.0700, mildly bid near 1.0715, as it struggles to cheer the broad US Dollar pullback, as well as the hawkish European Central Bank (ECB) concerns ahead of the mid-tier EU data on early Tuesday.

**INR:** USD/INR grinds near intraday high during three-day winning streak. Two-week-old descending trend channel prods Indian Rupee sellers. Upbeat oscillators sustained trading beyond 200-SMA keeps pair buyers hopeful. Rising support line from mid-April appears the last defense of USD/INR bears. SD/INR stays on the front foot for the third consecutive day around 82.55 as bulls eye rejection of a short-term bearish chart formation during early Tuesday.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	136.50	140.30			
GBP/KES	170.20	174.90	GBP/USD	1.2490	1.2472
EUR/KES	146.70	150.70	EUR/USD	1.0748	1.0740
INR/KES		1.7120	AUD/USD	0.6691	0.6648
			USD/INR	82.11	82.31
			Commodities		
			Gold	1960	1945
			Brent Crude	76.59	77.12

## T-Bills Rates:

Duration	Current	Previous
91 Days	11.103%	10.832%
182 Days	11.112%	10.113%
364 Days	11.497%	11.457%

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