

DAILY FOREX NEWSLETTER

Friday 14th July 2023

The Kenyan shilling weakened to a fresh low on Thursday as it continued its downward spiral on elevated dollar demand from importers.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	140.10	143.65			
GBP/KES	184.00	188.90	GBP/USD	1.3173	1.3050
EUR/KES	157.40	161.50	EUR/USD	1.1267	1.1195
INR/KES		1.7555	AUD/USD	0.6950	0.6845
			USD/INR	81.55	81.60
			Commodities		
			Gold	1961	1956
			Brent Crude	81.38	80.31

T-Bills Rates:

Duration	Current	Previous
91 Days	12.109%	12.014%
182 Days	12.271%	12.199%
364 Days	12.452%	12.250%

International Markets

- Asian stocks rose on Friday, on course for their best week this year, as a cooling in U.S. inflation stoked speculation that the Federal Reserve could pause rate hikes after this month.
- Oil prices were set to register their third consecutive weekly gain for the first time since April, rising on Friday due to supply disruptions in Libya and Nigeria, and hopes of higher demand for crude due to easing U.S. inflation.

USD: Most Asian currencies rose on Friday, while the dollar hit a 15-month low against a basket of currencies as weak U.S. inflation readings saw investors pricing in fewer interest rate hikes this year.

GBP: GBP/USD enters a bullish consolidation phase and trades just below the 15-month peak. Bets that the Fed will soon end its rate-hiking cycle undermine the USD and lend support. Expectations for further policy tightening by the BoE also contribute to limiting the slide. The GBP/USD pair oscillates in a narrow trading band during the Asian session on Friday and consolidates its recent strong gains registered over the past two weeks or so, to its highest level since April 2022.

EUR: EUR/USD climbs to its highest level since February 2022 as the USD selling remains unabated. Expectations that the Fed will soon end its rate-hiking cycle continue to weigh on the Greenback. The ECB's hawkish outlook further underpins the Euro and remains supportive of the momentum. The EUR/USD pair builds on this week's breakout momentum through the previous YTD peak and climbs to its highest level since February 2022, around the 1.1240-1.1245 region during the Asian session on Friday.

INR: USD/INR takes offers to reverse the previous day's corrective bounce off one-week low. Clear downsides break of multi-month-old support line, bearish MACD signals favor Indian Rupee buyers. Monthly low, 200-EMA lures pair sellers; corrective bounce needs validation from 82.20. USD/INR renews intraday low near 81.96 during Friday morning in India as markets braces for the mid-ties US data to confirm the recently dovish concerns about the Federal Reserve (Fed)

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