

DAILY FOREX NEWSLETTER

Friday 21st July 2023

The Kenya's shilling held steady on Thursday, and it was expected to weaken during the session due to increased demand for dollars from manufacturing and fuel retailing companies.

International Markets

- Brent oil prices were little changed on Friday and were set to close flat for the week after three straight weeks of gains, as markets weigh lower U.S. crude inventories and tapering interest rate hikes against weak Chinese economic data that could cap demand.
- Asia-Pacific markets fell on Friday as investors digested Japan's consumer price index figures for June. The country's core inflation rate - which strips out costs of fresh food - came in at 3.3%, in line with expectations of economists polled by Reuters, official data showed.

USD: The dollar gained against a basket of currencies on Thursday after data showed that the number of Americans filing new claims for unemployment benefits unexpectedly fell last week, boosting expectations the Federal Reserve may continue hiking interest rates if the economy remains strong.

GBP: GBP/USD ticks higher on Friday and recovers a part of the overnight slide to a one-week low. Any subsequent move up is more likely to confront stiff resistance near the 1.2930-35 region. Bears might need to wait for a sustained break below the 100-period SMA on the 4-hour chart. The GBP/USD pair edges higher during the Asian session on Friday and moves away from a one-and-half-week low, around the 1.2840-1.2835 region touched the previous day.

EUR: EUR/USD braces for the first weekly loss in four, dribbles around the weekly bottom after three-day losing streak. 10-EMA prods Euro sellers amid upbeat RSI (14) line but impending bear cross on MACD challenge buyers. Previous resistance line from mid-May, 50-EMA act as additional downside filters. Fed vs. ECB play will be crucial for Euro traders to watch as policy pivot talks check respective currency buyers. EUR/USD licks its wounds during the first negative week in four, clings to mild gains near 1.1130-40 amid early Friday morning in Europe, as market players struggle for clear directions ahead of next week's monetary policy meetings of the European Central Bank and Federal Reserve (Fed).

INR: The Indian rupee weakened 0.04% versus the U.S. currency to 82.03, tracking the recovery on the dollar index following jobless claims data.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	141.50	144.50			
GBP/KES	181.50	186.25	GBP/USD	1.2930	1.2983
EUR/KES	157.00	161.10	EUR/USD	1.1180	1.1244
INR/KES		1.7680	AUD/USD	0.6825	0.6867
			USD/INR	81.60	81.71
			Commodities		
			Gold	1970	1983
			Brent Crude	80.33	79.47

T-Bills Rates:

Duration	Current	Previous
91 Days	12.233%	12.109%
182 Days	12.322%	12.271%
364 Days	12.708%	12.452%

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