

DAILY FOREX NEWSLETTER

Monday 6th Sept 2021

Local Markets:

The Kenyan shilling was unchanged against the dollar on Friday and traders said they were watching inflows into government securities auction for potential support for the currency.

Kenya's private sector activity grew for the fourth month in a row and at a slightly faster pace in August, a survey found on Friday, thanks to increased demand and hiring.

Top News:

- Asian shares edged higher on Monday as a disappointing U.S. payrolls report promised to keep policy there super-loose for longer, but also clouded the outlook for global growth and inflation.
- Oil prices extended losses on Monday, falling more than 1%, after the world's top exporter Saudi Arabia slashed crude prices for Asia over the weekend, signaling demand concerns and those global markets are well supplied.

International Markets

USD: The dollar was up on Monday morning in Asia, but remained near a one-month low after investors postponed expectations of when the U.S. Federal Reserve will begin asset tapering.

GBP: GBP/USD consolidates recent gains around monthly top, teases intraday low of late. Brexit blamed for labor, food shortage, key members ask for "proportionate and structured" over NI border. Virus infections, death toll increase in the UK, but policymakers are yet to decide over jabbing of 12–15 years children. Off in the US can restrict market moves but mild risk-off keeps intraday sellers hopeful. GBP/USD takes offers around 1.3850 while marking the first daily loss in five heading into Monday's London open. In doing so, the quote refreshes intraday low while flashing 0.18% downside on a day.

EUR: EUR/USD holds mild losses on Monday after the previous week's gains. US Dollar Index rebounds slightly near 92.20, still below the last week's high. The Euro earlier gained on hawkish ECB members despite weaker data. The EUR/USD pair has been tracking minor losses in the Asian session on the first trading of the fresh week. After testing the high above 1.1900 for the first time since August on Friday, the pair opened lower in today's session.

INR: The Indian rupee was at 73.0625/73.0725 to the dollar against 73.0175/73.0275 in the previous session, amid dollar buying by one large private bank and two state-run banks, likely for their importer clients. The benchmark 6.10% bond maturing in 2031 was trading at 99.60 rupees, yielding 6.15%, against 99.58 rupees, yielding 6.16% yield at previous close, after New Delhi announced the sale of a new 14-year note this week. The yield fell to 6.13% in opening trades, the lowest since Jul. 22

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	109.15	111.15			
GBP/KES	151.05	153.50	GBP/USD	1.3870	1.3840
EUR/KES	129.45	132.40	EUR/USD	1.1890	1.1885
INR/KES		1.5350	AUD/USD	0.7460	0.7425
			USD/INR	72.90	73.00
			Commodities		
			Gold	1826	1812
			Brent Crude	71.81	73.02

T-Bills Rates:

Duration	Current	Previous
91 Days	6.774%	6.741%
182 Days	7.226%	7.195%
364 Days	7.517%	7.492%

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