

DAILY FOREX NEWSLETTER

Thursday 25th August 22

Local Markets:

The Kenya's shilling weakened to a new record low on Wednesday due to increased dollar demand from oil-marketing companies and general goods importers as the month draws to an end.

Top News:

- Asian share markets were broadly positive while the dollar was slightly weaker on Thursday, with investors awaiting the U.S. Federal Reserve's annual Jackson Hole conference.
- Oil prices rose on Thursday on mounting supply tightness concerns amid disruptions to Russian exports, the potential for major producers to cut output, and the partial shutdown of a U.S. refinery.

International Markets

USD: Most Asian currencies rose slightly on Thursday, benefiting from weakness in the dollar as traders awaited more cues on monetary policy from Federal Reserve Chair Jerome Powell this week.

GBP: GBP/USD grinds higher around daily top after trashing one-week-old bearish chart formation. Bullish MACD signals, firmer RSI also favor buyers to aim for weekly top. Sellers have a bumpy road to return, 200-SMA holds the key to buyer's conviction. GBP/USD clings to mild gains around 1.1820 after crossing the short-term bearish channel ahead of Thursday's London open. In doing so, the Cable ire pares the weekly gains after declining to the lowest levels since March 2020.

EUR: EUR/USD picks up bids to consolidate recent losses around 19-year low. Hopes of likely neutral comments from Fed's Powell at Jackson Hole favor US dollar weakness. German energy crisis battles China stimulus to tame recession woes. German/US GDP, Germany's IFO Sentiment figures and US Core PCE data to decorate the calendar. EUR/USD marches towards parity, up 0.20% intraday near 0.9990, as the US dollar fades upside momentum during Thursday's European session. The major currency pair's recent run-up could also be attributed to the market's hopes of dovish central bankers' speeches during the all-important Jackson Hole Symposium

INR: The Indian rupee was trading at 79.8250 to the U.S. dollar, little changed from 79.8075 in the previous session, amid higher oil prices and better risk appetite

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	118.50	126.10			
GBP/KES	139.50	149.80	GBP/USD	1.1885	1.1845
EUR/KES	117.70	126.50	EUR/USD	1.0055	0.9995
INR/KES		1.6050	AUD/USD	0.6990	0.6945
			USD/INR	78.65	78.80
			Commodities		
			Gold	1758	1747
			Brent Crude	101.84	99.76

T-Bills Rates:

Duration	Current	Previous
91 Days	8.669%	8.565%
182 Days	9.492%	9.433%
364 Days	9.909%	9.922%

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