

DAILY FOREX NEWSLETTER

Thursday 10th August 2023

The Kenyan shilling was stable on Wednesday, but it was expected to lose ground during the session due to increased demand for dollars from the manufacturing sector.

International Markets

- Oil held gains near the highest level in almost nine months as concerns over a possible escalation in hostilities between Russia and Ukraine overshadowed the first gain in US crude stockpiles in four weeks.
- Asia-Pacific markets were mixed as investors braced for July consumer price index data out from the U.S. on Thursday. Expectations from economists polled by Reuters are the inflation rate will come in at 3.3%, slightly higher from the 3% seen in June.

USD: The U.S. dollar drifted lower on Wednesday in thin rangebound trading, with investors looking ahead to Thursday's U.S. consumer prices report for indications on where the Federal Reserve's monetary policy is headed.

GBP: GBP/USD modestly dives during the North American session, below the 50-day Exponential Moving Average (EMA) even though the US Dollar (USD) remains soft across the board as speculators prepare for the release of inflation data in the United States (US).

EUR: EUR/USD has been testing a descending trend line in the last few sessions, but it is just holding on for now as it continues to trade in a range this week. Being below the trend line may suggest that near-term bearishness is intact for now, but a close above it could suggest a pause in the trend.

INR: The Reserve Bank of India (RBI) kept interest rates steady on Thursday, as expected, and said that it will remain hawkish on expectations of a potential surge in inflation over the coming months. The RBI kept its policy repo rate at 6.50% as unanimously expected, after having flagged an end to its rate hike cycle earlier this year. But the bank will continue with tightening policy, amid an elevated near-term outlook for inflation.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	142.50	146.20			
GBP/KES	181.80	186.40	GBP/USD	1.2760	1.2730
EUR/KES	156.90	161.30	EUR/USD	1.1040	1.1030
INR/KES		1.7710	AUD/USD	0.6580	0.6520
			USD/INR	82.30	82.40
			Commodities		
			Gold	1917	1930
			Brent Crude	87.57	85.97

T-Bills Rates:

Duration	Current	Previous
91 Days	12.6855%	12.352%
182 Days	12.5579%	12.392%
364 Days	13.1072%	12.728%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/Shiv Bhatt, D/L 020-2223409/2213470 or general nos. 2228461/2