

# DAILY FOREX NEWSLETTER

Friday 11<sup>th</sup> August 2023

The Kenyan shilling was little changed on Thursday, although it was expected to weaken due to increased demand for dollars from manufacturing and oil retailing companies as well as low inflows.

## International Markets

- Prospects for the global oil market look healthy for the second half of the year, OPEC said as the producer group stuck to its forecast for robust oil demand in 2024 and nudged up its expectations for global economic growth.
- 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 dollar reversed losses on Thursday, led by gains against the yen, as investors digested U.S. inflation numbers that showed a moderate increase last month, but are still way above the Federal Reserve's 2% inflation target.

**GBP:** United Kingdom's Gross Domestic Product is expected to show no growth in Q2 2023. Bank of England expects the UK GDP to expand by 0.5% this year. Pound Sterling could resume a downtrend on weak UK growth figures.

**EUR:** EUR/USD topped 1.10 After Jul's US Inflation Data. Core CPI's Deceleration trend remains in place even as headline inflation ticked up. Eurozone inflation expectations remain uncomfortably high.

**INR:** The rupee gained slightly against the US dollar on Thursday after the Reserve Bank left its key interest rates unchanged. Forex traders said the rupee appreciated tracking a weak tone in the US dollar. However, weak domestic markets and a surge in crude oil prices capped sharp gains.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	143.00	146.20			
<b>GBP/KES</b>	181.50	185.80	<b>GBP/USD</b>	1.2700	1.2760
<b>EUR/KES</b>	157.10	161.10	<b>EUR/USD</b>	1.1000	1.1040
<b>INR/KES</b>		1.7710	<b>AUD/USD</b>	0.6540	0.6580
			<b>USD/INR</b>	82.85	82.30
			<b>Commodities</b>		
			<b>Gold</b>	1913	1917
			<b>Brent Crude</b>	86.26	87.57

## T-Bills Rates:

Duration	Current	Previous
91 Days	13.1104%	12.6855%
182 Days	13.4381%	12.5579%
364 Days	13.3402%	13.1072%

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