

DAILY FOREX NEWSLETTER

Monday 14th August 2023

The Kenyan shilling was barely changed on Friday although it was forecast to ease on the back of increased dollar demand from manufacturers.

International Markets

- OPEC supply cuts could erode oil inventories in the rest of this year, potentially driving prices even higher, before economic headwinds limit global demand growth in 2024 according to the International Energy Agency.
- Asia-Pacific markets were mixed on Friday after inflation in the U.S. came in lower than expected, raising hopes markets could see a “soft landing” in the inflation fight.

USD: A global index of stocks fell on Friday while U.S. Treasury yields rose after a July inflation reading showed prices rising slightly faster than expected, fueling expectations the Federal Reserve will keep interest rates higher for longer.

GBP: UK’s economy outperforms forecasts, bolstering Bank of England’s rate hike stance amidst looming recession fears. The Pound Sterling continued to hold its ground against the US Dollar after UK’s economy grew more than expected, despite US elevated inflation on the producer side.

EUR: The EUR/USD pair finished the week on the downside, although losses were modest, with the pair still close to the 1.1000 threshold. Financial markets struggled for direction amid uncertainty surrounding the economic future, failing to set a directional path.

INR: Rupee appreciated yesterday amid weakness in dollar. Meanwhile, RBI kept the repo rate unchanged at 6.5% for a 3rd consecutive meeting but announced measures to absorb liquidity as inflation concerns resurfaced due to spike in food prices.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	143.00	146.20			
GBP/KES	181.00	185.70	GBP/USD	1.2710	1.2700
EUR/KES	156.00	160.70	EUR/USD	1.0970	1.1000
INR/KES		1.7710	AUD/USD	0.6520	0.6540
			USD/INR	82.40	82.85
			Commodities		
			Gold	1913	1913
			Brent Crude	86.70	86.26

T-Bills Rates:

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

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