

DAILY FOREX NEWSLETTER

Wednesday 16th August 2023

The Kenyan shilling eased slightly against the dollar as foreign exchange demand outstripped supply.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	143.50	146.30			
GBP/KES	181.90	186.10	GBP/USD	1.2730	1.2695
EUR/KES	156.40	160.10	EUR/USD	1.0940	1.0940
INR/KES		1.7710	AUD/USD	0.6480	0.6515
			USD/INR	83.00	83.10
			Commodities		
			Gold	1903	1905
			Brent Crude	84.67	86.22

T-Bills Rates:

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

International Markets

- Oil prices fell over 1% on Tuesday on sluggish Chinese economic data coupled with fears that Beijing's unexpected cut in key policy rates was not sufficiently substantial to rejuvenate the country's sputtering post-pandemic recovery.
- Asia-Pacific markets were mixed on Tuesday following key data from both Japan and China. Japan's Nikkei 225 climbed 0.56% to end at 32,238.89, while the Topix was up 0.41% and closed 2,290.31 after the country saw its second quarter gross domestic product beat expectations.

USD: Retail Sales in the US rose 0.7% on a monthly basis in July to \$696.4 billion, the data published by US Census Bureau showed on Tuesday. This reading followed the 0.3% (revised from 0.2%) increase recorded in June and came in better than the market expectation of 0.4%.

GBP: UK wages excluding bonuses soar to the highest growth rate since 2001, pushing unemployment to 4.2%. US Retail Sales outperform expectations, prompting Goldman Sachs to uplift Q3 GDP projections.

EUR: The euro is testing key levels against some of its peers ahead of the release of Euro area GDP data (due later today) and the FOMC minutes (due Thursday). The Euro area economic growth slowed to 0.6% on-year in the April-June quarter from 1.1% in the previous quarter on tightened credit conditions as the effect of aggressive ECB rate hikes spills over.

INR: USD/INR prints mild losses around 83.30-25 as the Indian Rupee (INR) licks its wounds around the record low on early Wednesday. In doing so, the Asian currency justifies the market's consolidation ahead of the Fed Minutes while also cheering downbeat WTI crude oil prices, India's major import burden.

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