

DAILY FOREX NEWSLETTER

Friday 18th August 2023

Local Markets:

The Kenyan, Ugandan, Ghanaian and Zambian currencies are expected to fall in the coming weeks to Thursday, while Nigeria's naira could hold steady on the official market and gain on the parallel market.

Top News

- Oil is poised to rally beyond \$90 per barrel by the end of the year amid record demand and tightening supply. Brent International prices stand just below \$85 per barrel, about 3% off year-to-date highs reached earlier in August. West Texas Intermediate is hovering above \$80 per barrel.
- China's central bank unexpectedly cut rates on Tuesday, as policymakers continued to ramp up support for its struggling economy. The People's Bank of China trimmed the interest rate on one-year medium-term lending facility (MLF) loans from 2.65% to 2.50.

International Markets

USD: US Dollar Index (DXY) bulls take a breather at a two-month high, marked the previous day, as it retreats to 103.38 amid early Friday in Asia. In doing so, the Greenback's gauge versus the six major currencies tracks the US Treasury bond yields to pare the weekly gains, the fifth in a row, amid a light calendar and a silent news line.

GBP: The British Pound is pushing higher against a strong US dollar as fixed-income traders push the yield on UK government debt ever higher.

EUR: EUR/USD registers modest losses for the fifth straight day, widening its distance from the 1.0900 figure amid a risk-off impulse spurred by the Federal Reserve meeting minutes, as well as woes of China's economic slowdown.

INR: The Indian rupee is likely to open higher on Friday, tracking the U.S. dollar's pullback against major and Asian currencies and relief on the U.S. yields front. The Reserve Bank of India (RBI) has likely been selling dollars in the offshore and onshore markets to prevent the rupee from making a new record low.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	143.60	146.60			
GBP/KES	181.90	187.00	GBP/USD	1.2780	1.2740
EUR/KES	156.00	160.00	EUR/USD	1.0930	1.0880
INR/KES		1.7710	AUD/USD	0.6435	0.6440
			USD/INR	82.60	83.00
			Commodities		
			Gold	1891	1903
			Brent Crude	83.94	84.67

T-Bills Rates:

Duration	Current	Previous
91 Days	13.4754%	13.1104%
182 Days	13.2758%	13.4381%
364 Days	13.7459%	13.3402%

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