

DAILY FOREX NEWSLETTER

Wednesday 23rd August

Local Markets:

The Kenyan shilling lost ground on Tuesday, undermined by persistent demand for dollars from the energy, telecommunications and manufacturing sectors.

Top News

- Oil prices settled lower on Tuesday as investors remained focused on the likelihood that China's economic malaise will keep hobbling demand from the world's top crude importer.
- China's central bank cut its one-year loan prime rate Monday, while leaving its five-year rate unchanged. These decisions are weaker than expectations for more muscular policy intervention following a raft of data that pointed to faltering growth momentum in the world's second-largest economy.

International Markets

USD: US Dollar Index (DXY) renews its intraday low near 103.50 as it reverts from the 2.5-month high marked the previous day during early Wednesday. In doing so, the Greenback's gauge versus the six major currencies portrays the market's consolidation ahead of the preliminary readings of the August month Purchasing Managers Indexes (PMIs) for the US

GBP: The British pound's resilience this year (+5.4%) against the US dollar remains fervent as sticky inflationary pressures within the UK persist.

EUR: The Euro is on course for a 6th consecutive weekly loss against the US Dollar. If confirmed, this would be the longest losing streak for EUR/USD since 2018. During this time, retail traders have become increasingly bullish on the Euro.

INR: The USD/INR pair struggles to capitalize on the previous day's late rebound from over a one-week low and trades with a negative bias for the third successive day on Wednesday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	143.70	147.35			
GBP/KES	182.50	188.00	GBP/USD	1.2780	1.2770
EUR/KES	156.00	160.80	EUR/USD	1.0895	1.0935
INR/KES		1.7710	AUD/USD	0.6472	0.6454
			USD/INR	82.80	82.80
			Commodities		
			Gold	1902	1888
			Brent Crude	84.10	85.27

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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