

DAILY FOREX NEWSLETTER

Wednesday 30th August

Local Markets:

The Kenyan shilling weakened slightly on Tuesday as month end foreign currency demand outpaced supply.

Top News

- Oil prices extended gains on Wednesday after industry data showed a large draw in crude inventories in the U.S., the world's biggest fuel consumer, and as concerns about a hurricane in the Gulf of Mexico kept investors on edge.
- Asia-Pacific markets rose across the board as Wall Street came off a winning day on Monday. Hong Kong and Mainland Chinese stocks led gains in Asia, extending their Monday gains.

International Markets

USD: US Dollar Index (DXY) bears take a breather at the weekly low, making rounds to 103.50 by the press time, as markets await more clues to confirm the recent dovish bias about the Federal Reserve (Fed) due to the downbeat US data.

GBP: The GBP/USD price remained in a tight range on Monday because of the UK's bank holiday. The pair was trading at 1.2600 on Tuesday, where it has been at since Tuesday. This price is significantly lower than this month's high of 1.2819 and the year-to-date high of 1.3137.

EUR: The EUR/USD experienced a surge on Tuesday, marking the biggest daily gain in a month as it climbed from below 1.0800 towards the 1.0900 area. The key driver behind this rally was a sharp correction in the US Dollar across the board, triggered by US economic data and a decline in Treasury bonds.

INR: USD/INR prints mild gains around 82.60 as it consolidates the biggest daily fall in a week amid early Wednesday's market consolidation. That said, the Indian Rupee (INR) pair refreshed the weekly top the previous day before a slump in the US Dollar recalled the bears.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	143.70	147.75			
GBP/KES	182.00	186.90	GBP/USD	1.2600	1.2655
EUR/KES	156.00	161.40	EUR/USD	1.0800	1.0845
INR/KES		1.7900	AUD/USD	0.6440	0.6473
			USD/INR	82.30	82.24
			Commodities		
			Gold	1912	1923
			Brent Crude	83.64	84.36

T-Bills Rates:

Duration	Current	Previous
91 Days	13.7332%	13.4754%
182 Days	13.4911%	13.2758%
364 Days	14.0140%	13.7459%

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