

# DAILY FOREX NEWSLETTER

Monday 18<sup>th</sup> September

## Local Markets:

The Kenyan shilling edged lower against the dollar on Friday on the back of unmatched demand from the energy and manufacturing sectors and general merchandise importers.

## Top News

- Oil prices hit a 10-month high on Friday and posted a third weekly gain as supply tightness spearheaded by Saudi Arabian production cuts combined with optimism around Chinese demand to lift crude.
- Asia-Pacific markets climbed, bolstered by a slew of China's economic data for August that were mostly better than market expectations.

## International Markets

**USD:** Most Asian currencies fell on Monday, while the dollar steadied near six-month highs as markets hunkered down before several key central bank rate decisions this week, most notably the Fed.

**GBP:** GBP/USD remained defensive below 1.2400 mark in early Asia today and currently trades near 1.2390, up 0.06% on the day. Market players prefer to wait on the sidelines ahead of the key event from this week. On Wednesday, Fed rate decision and the UK August CPI will be due. These events could trigger the volatility in the pair.

**EUR:** EUR/USD initiates the week trading higher at 1.0670 in Asian. The pair receives upward support, likely resulting from downbeat consumer sentiment data from the US released on Friday. ECB's Lagarde, conveyed on Friday that policymakers did not contemplate the possibility of further rate cuts.

**INR:** The Indian rupee weakened slightly on Friday, weighed by crude marking fresh year-to-date highs but the downside was likely capped by dollar selling orders and expected equity inflows.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	145.60	150.55			
<b>GBP/KES</b>	180.90	187.10	<b>GBP/USD</b>	1.2394	1.2475
<b>EUR/KES</b>	154.90	161.10	<b>EUR/USD</b>	1.0668	1.0705
<b>INR/KES</b>		1.8165	<b>AUD/USD</b>	0.6444	0.6515
			<b>USD/INR</b>	83.1475	82.50
			<b>Commodities</b>		
			<b>Gold</b>	1950.85	1915
			<b>Brent Crude</b>	94.54	94.04

## T-Bills Rates:

Duration	Current	Previous
91 Days	14.5151%	14.2337%
182 Days	14.4148%	14.3686%
364 Days	14.7282%	14.8603%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/Shiv Bhatt/Ryan Akalah, D/L 020-2223409/2213470 or general nos. 2228461/2

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