Monday, 31st August 2026

NEWSLETTER

GLOBAL MARKETS

Local Markets:

Kenyan shilling is expected to hold steady against the US dollar. The shilling's stability is attributed to support by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 129.00/129.70

Indicative FX rates as at 8.30am:

Currency	*Buying*	*Selling*	*Currency*	*Today*	*Previous*
USD/KES	129.00	129.70			
GBP/KES	174.80	175.84	**GBP/USD**	1.3586	1.3615
EUR/KES	149.40	150.80	**EUR/USD**	1.1624	1.1684
INR/KES		1.3680	**USD/INR**	95.00	95.11
			AUD/USD	0.7186	0.7215
			Commodities		
			Gold	4436.01	4575.71
			Brent Crude	90.97	89.30

Benchmark Rates:

Tenor	*Current*	*Previous*	
91 Days	8.7692%	8.7700%	
182 Days	8.9400%	8.9480%	
364 Days	9.0323%	9.0356%	
KES INFLATION	6.68%	5.59%	
KES CBR	8.75%	8.75%	
FED RATE	3.75%	3.75%	
ECB RATE	2.25%	2.00%	
BOE RATE	3.75%	3.75%	
RBI RATE	5.25%	5.25%	

Top News

Oil: Oil prices were trading more than 2% higher on Monday after the U.S. attacked an Iranian island in the Strait of Hormuz and drew retaliation from Tehran, as their conflict extended into its sixth month.

Asia-Pacific markets: Asian stocks fell broadly on Monday as investors turned cautious after Federal Reserve Chair Kevin Warsh's hawkish comments revived expectations for a U.S. interest-rate hike, while a fresh escalation in U.S.-Iran fighting pushed oil prices higher and added to inflation concerns.

International Markets

USD: The U.S. dollar on Friday hit a near two-week high after Federal Reserve Chair Kevin Warsh's first keynote address at the Jackson Hole conference was perceived as hawkish. Traders added to their expectations of a central bank rate hike in September after Warsh said underlying inflation trends had not "meaningfully improved."

GBP: The GBP/USD pair edges higher at the start of a new week, reversing a part of Friday's heavy losses to over a one-week trough. Spot prices, however, lack bullish conviction and trade below mid-1.3500s during the Asian session, warranting caution before confirming that the recent pullback from the highest level since February, touched earlier this month, has run its course.

EUR: The EUR/USD pair gathers strength to around 1.1590 during the early Asian trading hours on Monday. The US Dollar (USD) edges lower against the EURO (EUR) despite hawkish remarks from Federal Reserve (Fed) Chair Kevin Warsh. Traders will take more cues from the preliminary reading of Consumer Price Index (CPI) inflation data from Germany, which is due later on Monday.

INR: The rupee opened 11 paise lower on August 31, after the United States Federal Reserve stated on Friday that the likelihood of a rate hike is not so far away, should inflation keep spiking towards the target of 2 percent, striking a hawkish tone.

Source: Reuters.

For further enquiries, kindly call: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/681.

DISCLAIMER: Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.

Restricted