

Today's Indicative Exchange Rate for SWIFT transfers:

	Against USD		Against KES	
	Bid	Ask	Bid	Ask
USD	-	-	107.95	108.95
GBP	1.2915	1.3015	139.42	141.80
EUR	1.1728	1.1828	126.60	128.87
JPY	104.92	106.42	1.0144	1.0384
AED	3.49	3.69	29.25	31.22
AUD	0.7171	0.7271	77.41	79.22
ZAR	15.94	17.44	6.19	6.84
UGX	3390	3790	31.12	35.11

Kenya Shilling: The Kenyan shilling inched down against the dollar on Tuesday as a result of demand for hard currency, amid a shortage of offers in the currency market.

Money-Market: The overnight rate fell to 2.5509% on a volume of Kes.16.775B compared to Kes.13.625B posted in the previous session.

Global Trends:

EUR: The euro-dollar exchange rate drifted lower as traders bid their time on Tuesday ahead of the European Central Bank's post-summer meeting later in the week.

GBP: The British Pound has fallen nearly 0.75% against the U.S. Dollar on Tuesday as the currency's sell-off enters a second day. There are two reasons behind the fall in Sterling: 1) Global stock markets are falling, confirming the Pound's positive relationship with stock markets and 2) Brexit trade negotiations are close to collapsing.

JPY: USD/JPY fell below support by 106, as the yen led the dollar in competition for safe haven-flows on the back of fresh stock market falls and setbacks in global reflation trades.

GOLD : Gold prices edged higher on Tuesday following a long weekend in the US. Prices were buoyed as riskier assets were hammered as stocks sold off and yields moved lower.

OIL: US oil prices plummeted 9 percent Tuesday, their worst day since mid-May. Oil dropped to a low of \$36.13 a barrel, the weakest level in nearly three months.

Market Summary:

	08.09	07.09	04.09	03.09	02.09
Interbank Rate (%)	2.5509	2.6654	2.7622	3.0615	3.2080
NSE 20 Share index	1,850.63	1,849.64	1,855.04	1,852.39	1,835.30
Oil (\$)	39.61	41.95	41.95	43.70	44.46
Gold (\$)	1,927.50	1,930.00	1,930.75	1,935.60	1,945.95

Inflation & CBR

	Aug	Jul	Jun	May	April
Inflation rate	4.40%	4.36%	4.60%	5.50%	5.60%
CBR rate	7.00%	7.00%	7.00%	7.00%	7.25%

Libor Rates (%)

Tenure	USD	GBP	EUR
O/N	0.07525	0.05650	-0.56700
1M	0.19013	0.10263	-0.48743
3M	0.30513	0.16538	-0.41457
6M	0.41450	0.31400	-0.30029

Deposit Rates (> 20M)

Tenure	Rate
Call	3.00%
1M	5.00%
3M	6.00%
6M	7.00%

Treasury Bills

	Current rate	Previous rate
91-day	6.295%	6.273%
182-day	6.627%	6.625%
364-day	7.554%	7.507%

Highlight of the Day:

USD: The greenback, when gauged by the US Dollar Index (DXY), is extending the upside momentum beyond the 93.00 mark on Tuesday. The index is advancing for the sixth consecutive session and is looking to extend the recovery further north of the 93.00 yardstick on turnaround Tuesday. It is worth recalling that the dollar regained traction after bottoming out in the 91.70 region at the beginning of the month. Despite the ongoing recovery, and looking at the broader picture, investors keep the bearish view on the dollar unchanged against the backdrop of a (more) dovish Fed, the unremitting progress of the coronavirus pandemic and political uncertainty ahead of the November elections.

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