

GLOBAL MARKETS NEWSLETTER

Monday 16th October, 2023

Local Markets:

The Kenyan shilling edged lower against the dollar on Friday, as foreign currency inflows from the tea sector and the diaspora were insufficient to meet importer's foreign exchange demand.

Today's expected range is 148.10 – 155.00.

Top News

Oil traded mostly flat on Monday after surging last week as investors wait to see if the Israel-Hamas conflict draws in other countries - a development that would potentially drive up prices further and deal a fresh blow to the global economy.

Asia-Pacific markets started the week on soft footing as investors look ahead to key economic data from China and Japan this week.

International Markets

USD: Most Asian currencies fell slightly on Monday, while USD retreated from recent peaks as investors continued to fret over any potential spillover from the Israel-Hamas war. Appetite for risk-driven Asian currencies remained fragile, while the dollar saw a smidge of profit taking after coming close to 10-month highs last week. Fears of higher U.S. rates, following strong September inflation, kept sentiment towards Asian markets largely negative.

GBP: GBP/USD gains traction above mid-1.2100s in Asia. Softer USD lends some support to the pair. Risk sentiment dominates the market ahead of key UK employment data and US Retail Sales on Tuesday. The pair currently trades around 1.2160, up 0.15% for the day.

EUR: EUR/USD posts modest gains in Asia on Monday. The pair's rebound is broadly supported by the softer USD. EUR/USD currently trades near 1.0522, up 0.22% on the day.

INR: India's foreign exchange reserves fell for a fifth consecutive week to settle at a five-month low of \$584.74 billion as of October 6, figures compiled by the RBI showed on Friday. The rupee ended at 83.2625 on Friday, down for a third consecutive week. **Source: Reuters.**

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	148.10	155.00			
GBP/KES	180.05	189.00	GBP/USD	1.2158	1.2204
EUR/KES	155.86	163.70	EUR/USD	1.0524	1.0546
INR/KES		1.8700	AUD/USD	0.6320	0.6318
			USD/INR	83.2380	83.2350
			Commodities		
			Gold	1,927.55	1,888.85
			Brent Crude	90.64	86.86

T-Bills Rates:

Tenor	Current	Previous
91 Days	14.9604%	14.8734%
182 Days	15.0231%	14.9778%
364 Days	15.3368%	15.1867%

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