

GLOBAL MARKETS NEWSLETTER

Monday 30th October, 2023

Local Markets:

The Kenyan shilling slid to a fresh low against the dollar on Friday as broad foreign exchange demand from all sectors outweighed thin supply.

Today's expected range is 149.30 – 156.90.

Top News

Oil prices slipped more than 1% on Monday as investors adopted caution ahead of a U.S. Fed policy meeting and China's manufacturing data this week, offsetting support from tension in the Middle East.

Asia-Pacific markets Most Asian currencies stuck to a flat-to-low range as sentiment remained frail. The AUD was among the few outliers for the day, rising nearly 0.4% as data showed a stronger-than-expected jump in retail sales through September. Monetary policy decisions from Japan and Malaysia, inflation data from South Korea, and GDP growth figures from Taiwan and Hong Kong are the regional highlights this week.

International Markets

USD: Most Asian currencies moved little on Monday, while the dollar steadied as traders hunkered down before a string of central bank meetings this week, most notably the Fed and BoJ. DXY and DXY futures firmed slightly in Asian trade, retaining most of their gains from last week as markets remained largely apprehensive of a Fed rate decision on Wednesday.

GBP: GBP/USD struggles to gain meaningful traction, oscillating around 1.2100 in Asia. Traders now seem reluctant and prefer to wait on the sidelines ahead of the FOMC decision, and the BoE meeting on Thursday. The BoE is also expected to keep its benchmark interest rates on hold at 5.25% on the back of growing recession fears.

EUR: EUR/USD posts losses in Asia. In the busy week in terms of economic data release, traders will take cues from German growth, Eurozone GDP and inflation ahead of the Fed meeting. The major currently trades near 1.0557, losing 0.07% for the day. Markets expect European economic conditions to continue deteriorating.

INR: INR edges higher on Monday on the softer US Dollar. Lower US Treasury bond yields and RBI's potential intervention might limit the INR's downside. Investors will focus on the FOMC meeting and OMO sales.

to weigh on the INR. At the interbank FX market, INR opened at 83.24 and gained further to reach 83.23, up 2 paise from its previous close. **Source: Reuters.**

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	149.30	156.90			
GBP/KES	181.10	190.50	GBP/USD	1.2115	1.2124
EUR/KES	157.70	166.20	EUR/USD	1.0562	1.0559
INR/KES		1.8870	AUD/USD	0.6351	0.6343
			USD/INR	83.2480	83.2450
			Commodities		
			Gold	2,007.95	1,997.95
			Brent Crude	88.34	89.34

T-Bills Rates:

Tenor	Current	Previous
91 Days	15.1112%	15.0458%
182 Days	15.1289%	15.0763%
364 Days	15.3867%	15.3405%

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