

GLOBAL MARKETS NEWSLETTER

Wednesday 24th January 2024

Local Markets:

The Kenya's shilling held steady against the dollar on Tuesday.

Today's expected USD/KES trading range is 160.90 – 164.60.

Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency | Today | Previous |
|----------------|--------|---------|--------------------|----------|----------|
| USD/KES | 160.50 | 164.60 | | | |
| GBP/KES | 205.60 | 209.00 | GBP/USD | 1.2741 | 1.2738 |
| EUR/KES | 175.00 | 178.80 | EUR/USD | 1.0895 | 1.0903 |
| INR/KES | | 1.9845 | AUD/USD | 0.6597 | 0.6602 |
| | | | USD/INR | 83.048 | 83.0960 |
| | | | Commodities | | |
| | | | Gold | 2,031.35 | 2,031.35 |
| | | | Brent Crude | 79.41 | 80.21 |

Benchmark Rates:

| Tenor | Current | Previous | Next meeting |
|----------------------|----------|----------|--------------------------|
| 91 Days | 16.2347% | 16.1452% | - |
| 182 Days | 16.3007% | 16.1874% | - |
| 364 Days | 16.4917% | 16.3917% | - |
| KES INFLATION | 6.60% | 6.80% | 30 th Jan, 24 |
| KES CBR | 12.50% | 10.50% | 06 th Feb, 24 |
| FED RATE | 5.50% | 5.50% | |
| ECB RATE | 4.50% | 4.50% | 25 th Jan, 24 |
| BOE RATE | 5.25% | 5.25% | |
| RBI RATE | 6.50% | 6.50% | |

Top News

Oil: Oil prices were little changed in Asian trading on Wednesday as weak demand and a recovery in supply limited the market's reaction to mounting geopolitical risk.

Asia-Pacific markets: Asian shares rose on Wednesday on optimism that Chinese authorities will offer support for its stock markets, which have plummeted to multi-year lows, while a hawkish tilt from the Bank of Japan lifted the yen.

International Markets

USD: Most Asian currencies kept to a tight range on Wednesday, while the dollar steadied near six-week highs as markets awaited more cues on when the Federal Reserve could begin trimming interest rates.

GBP: GBP/USD maintains its position below the psychological barrier of 1.2700. A break above the 1.2750 major level could lead the pair to revisit the monthly high at 1.2785. The pair could find a support zone around the 1.2650 major level and the 23.6% Fibonacci retracement at 1.2648. Technical analysis suggests a lack of a strong directional bias in the pair. GBP/USD recovers its recent gains, trading higher near 1.2690 during the Asian session on Wednesday.

EUR: EUR/USD attempts to gain ground ahead of PMI data from the Eurozone and Germany. The downbeat EU Consumer Confidence weighed on the Euro. The risk-averse sentiment is driving the US Dollar in an upward direction. Fed is expected to not adjust its monetary policy at the February's decision. EUR/USD strives to retrace its recent losses, trading slightly higher near 1.0850 during the Asian session on Wednesday.

INR: The Indian rupee ended slightly stronger on Thursday, aided by dollar inflows

Source: Reuters

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