

GLOBAL MARKETS NEWSLETTER

Thursday 25th January 2024

Local Markets:

The Kenya's shilling weakened on Wednesday, undermined by increased demand for dollars from most sectors of the economy and low inflows.

Today's expected USD/KES trading range is 161.50 – 164.90.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	162.00	164.90			
GBP/KES	206.00	209.50	GBP/USD	1.2741	1.2709
EUR/KES	176.00	179.10	EUR/USD	1.0900	1.0868
INR/KES		1.9880	AUD/USD	0.6595	0.6580
			USD/INR	83.0045	83.1540
			Commodities		
			Gold	2,015.29	2,028.20
			Brent Crude	80.42	79.60

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: Gold eased on Wednesday after data showed strong U.S. business activity, even as a weakened dollar limited losses, while investors looked ahead to more economic indicators to assess when the Federal Reserve might first cut interest rates.

Asia-Pacific markets: China and Hong Kong stocks were firmly higher Thursday, leading gains in Asia-Pacific markets after the People's Bank of China said it would cut reserve requirements for the country's lenders.

International Markets

USD: Most Asian currencies fell slightly on Thursday but were sitting on strong gains following more stimulus measures from China, while the dollar nursed some losses ahead of key fourth-quarter GDP data due later in the day.

GBP: GBP/USD retreated from the two-week high at 1.2774 on Wednesday. Upbeat US PMI data neutralized the positive impact of UK PMI figures on Pound Sterling. The positive UK PMI figures could influence BoE to cut interest rates in the February meeting. BoE is expected to initiate a rate-cutting cycle in the August meeting. GBP/USD experiences a downward trend, following the pullback from a recent two-week high at 1.2774 on Wednesday.

EUR: EUR/USD loses ground as the US Dollar attempts to recover its recent losses. The lagging indicator MACD suggests a confirmation of the bearish momentum. The 38.2% Fibonacci retracement at 1.0867 and major support at 1.0850 could act as the immediate support zone. EUR/USD trades lower near 1.0880 during the Asian session on Thursday as the US Dollar (USD) makes efforts to retrace its recent losses.

INR: The rupee opened on a flat note against the US dollar in the morning session on Thursday, amid a muted trend in domestic equities.

Source: Reuters

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