

GLOBAL MARKETS NEWSLETTER

Wednesday 17th April 2024

Local Markets:

The Kenyan shilling eased against the dollar on Tuesday on pent-up foreign-currency demand from manufacturers, who held back from buying dollars in recent weeks as the local unit strengthened.

Today's expected USD/KES trading range is 130.00 – 133.00

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	130.00	133.00			
GBP/KES	161.10	165.50	GBP/USD	1.2446	1.2468
EUR/KES	138.00	141.50	EUR/USD	1.0642	1.0647
INR/KES		1.6024	AUD/USD	0.6429	0.6448
			USD/INR	83.4120	83.4070
			Commodities		
			Gold	2380.93	2,388.14
			Brent Crude	89.53	90.68

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.7330%	16.7243%	-
182 Days	16.8684%	16.8738%	-
364 Days	16.5310%	16.9898%	-
KES INFLATION	6.60%	5.7%	30 th April 24
KES CBR	13.00%	13.00%	
FED RATE	5.50%	5.50%	
ECB RATE	4.50%	4.50%	
BOE RATE	5.25%	5.25%	
RBI RATE	6.50%	6.50%	

Top News

Oil: Oil prices eased in early trade on Wednesday as worries about global demand due to weak economic momentum in China and fading hopes for U.S. interest rate cuts in the near-term outweighed supply fears on heightened tensions in the Middle East.

Asia-Pacific markets: Asia-Pacific markets were mixed after Tuesday's broad sell-off, with traders watching trade data out of Japan and Singapore on Wednesday.

International Markets

USD: Most Asian currencies kept to a tight range on Wednesday, while the dollar steadied near five-month peaks after strong U.S. economic data and warnings from the Federal Reserve saw traders largely price out bets on early interest rate cuts.

GBP: The March UK CPI report will be released by the Office for National Statistics on Wednesday. United Kingdom's headline and core annual inflation are set to ease in March. The UK CPI report could hint at the BoE's interest rate cut, rocking the Pound Sterling. The highly-anticipated United Kingdom's (UK) Consumer Price Index (CPI) data will be published by the Office for National Statistics (ONS) at 06:00 GMT on Wednesday.

EUR: EUR/USD remains on the defensive around 1.0615 in Wednesday's early Asian session. Fed's Powell said it's appropriate to allow restrictive policy to continue to work, given the strength of the labor market. ECB's Lagarde noted the central bank remains on course to cut rates in the near term, subject to any major shocks. The EUR/USD pair extends its downside near 1.0620, bouncing off the Year-To-Date (YTD) low of 1.0600 during the early Asian session on Wednesday.

INR: USD/INR to stay bid after closing at a record high of 83.5350 on Tuesday. Boosted by U.S. yields; 10-yr hits 5-mth high on higher-for-longer Fed rates. Fed's Powell says restrictive rates policy needs more time to work. Robust U.S. economy, sticky inflation, geopolitical tensions limit downside. RBI will continue to intervene but can only slow pace of USD rally. India's currency, debt and equity markets will be closed on Wednesday.

Source: Reuters.

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