

# GLOBAL MARKETS NEWSLETTER

Thursday 18<sup>th</sup> 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 131.50 – 134.50

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	131.50	134.50			
GBP/KES	163.50	167.90	GBP/USD	1.2494	1.2446
EUR/KES	140.00	143.90	EUR/USD	1.0720	1.0642
INR/KES		1.6250	AUD/USD	0.6484	0.6429
			USD/INR	83.4220	83.4120
			Commodities		
			Gold	2376.00	2,380.93
			Brent Crude	87.49	89.53

## 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 <sup>th</sup> 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 extended losses in early trade on Wednesday as worries about global demand due to weak economic momentum in China and a likely rise in U.S. commercial stockpiles outweighed supply fears from heightened tensions in the Middle East.

**Asia-Pacific markets:** Asian shares steadied from a recent sell-off on Wednesday although investors remain wary after the world's most powerful Central Banker had a change of heart on U.S. rate cuts this year, pushing Treasury yields to new five-month highs.

## International Markets

**USD:** Most Asian currencies crept higher on Thursday, seeing some breathing room as the dollar retreated from an over five-month peak, although fears of higher-for-longer U.S. interest rates remained at the fore.

**GBP:** GBP/USD edges lower to 1.2450 in Thursday's early Asian session. Further easing in UK inflation data prompted the expectation that the BoE will start lowering interest rates this year. Fed Chair Jerome Powell said he will wait longer than previously expected to cut rates after unexpectedly upside inflation readings. The GBP/USD pair trades on a softer note around 1.2450 during the early Asian trading hours on Thursday. The softer UK inflation data prompted the expectation that the Bank of England (BoE) will start lowering interest rates in the coming months, which weighs on the Pound Sterling (GBP) against the Greenback.

**EUR:** EUR/USD posts modest gains near 1.0672 on the softer USD on Thursday. Fed's Powell said the Central Bank might take longer than expected to achieve the 2% target. ECB policymaker said a rate cut looks increasingly likely in its June meeting. The EUR/USD pair edges higher to 1.0672 on Thursday during the early Asian session. The recovery of that major pair is bolstered by renewed selling pressure in the US Dollar (USD) and a risk-friendly environment

**INR:** Indian Rupee trades on a stronger note on Thursday. Rising oil prices and higher expectations that the Fed will delay rate cuts weigh on the INR. Investors await the Initial Jobless Claims, Philly Fed Manufacturing Index, Existing Home Sales, and Fed speakers on Thursday. Indian Rupee (INR) recovers some lost ground on Thursday

Source: Reuters.

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

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