

GLOBAL MARKETS NEWSLETTER

Wednesday 3rd April 2024

Local Markets:

The Kenya's shilling was little changed on Tuesday, but it was expected to gain ground in the days ahead due to dollar inflows from the agriculture sector.

Today's expected USD/KES trading range is 129.40 – 132.80.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.40	132.80			
GBP/KES	163.10	167.10	GBP/USD	1.2599	1.2567
EUR/KES	140.00	143.00	EUR/USD	1.0789	1.0764
INR/KES		1.6053	AUD/USD	0.6542	0.6525
			USD/INR	83.2295	83.2467
			Commodities		
			Gold	2,285.6	2,253.7
			Brent Crude	89.02	87.87

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	16.7290%	16.7306%	-
182 Days	16.8877%	16.9137%	-
364 Days	16.9899%	16.9890%	-
KES INFLATION	6.60%	5.7%	30 th April 24
KES CBR	13.00%	12.50%	
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 gains on Wednesday as a larger than expected fall in U.S. crude inventories and escalating geopolitical tensions raised investor worries about tighter supplies.

Asia-Pacific markets: Asia-Pacific stocks fell Wednesday, tracking declines on Wall Street overnight, with shares of electric vehicle makers dropping on demand worries.

International Markets

USD: Most Asian currencies moved little on Wednesday, while the dollar retreated slightly from an over four-month peak as markets remained largely on edge over the path of U.S. interest rates.

GBP: GBP/USD trades on a weaker note near 1.2575 on Wednesday. Many Fed officials see three rate cuts as reasonable this year. Traders raise their bets the BoE will cut the interest rate before the US Fed this year, weighing on the GBP. The US ADP Employment Change, the ISM Services PMI, and Fed's Powell speech will be the highlights on Wednesday. The GBP/USD pair trades with a negative mild bias around 1.2575 despite the decline of the US Dollar on Wednesday.

EUR: EUR/USD extends gains towards the psychological barrier of 1.0800. Technical analysis indicates a potential confirmation of bearish momentum for the pair. The key support appears around March's low of 1.0767 and the major level of 1.0750. EUR/USD continues its winning streak for the second consecutive session on Wednesday, inching higher to near 1.0780 during the Asian hours.

INR: The Indian rupee was little changed at 83.39 versus the U.S. dollar amid risk aversion and expectations that the central bank will intervene to prevent a fresh record low.

Source: Reuters.

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