

# GLOBAL MARKETS NEWSLETTER

Friday 5<sup>th</sup> April 2024

## Local Markets:

The Kenyan shilling hit its strongest this year on Thursday and while it was due to exporters and non-governmental organizations selling dollars, continuing a rally that began in mid-February.

Today's expected USD/KES trading range is 129.00 – 131.00.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	129.00	131.00			
<b>GBP/KES</b>	163.00	165.50	<b>GBP/USD</b>	1.2649	1.2675
<b>EUR/KES</b>	140.00	142.20	<b>EUR/USD</b>	1.0848	1.0864
<b>INR/KES</b>		1.5845	<b>AUD/USD</b>	0.6594	0.6610
			<b>USD/INR</b>	83.4000	83.3380
			<b>Commodities</b>		
			<b>Gold</b>	2277.68	2,299.7
			<b>Brent Crude</b>	90.94	89.62

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	16.7243%	16.7290%	-
<b>182 Days</b>	16.8738%	16.8877%	-
<b>364 Days</b>	16.9898%	16.9899%	-
<b>KES INFLATION</b>	6.60%	5.7%	30 <sup>th</sup> April 24
<b>KES CBR</b>	13.00%	13.00%	
<b>FED RATE</b>	5.50%	5.50%	
<b>ECB RATE</b>	4.50%	4.50%	
<b>BOE RATE</b>	5.25%	5.25%	
<b>RBI RATE</b>	6.50%	6.50%	

## Top News

**Oil :** Oil prices extended gains on Friday and headed for a second weekly gain, supported by geopolitical tensions in Europe and the Middle East, concerns over tightening supply, and optimism about global fuel demand growth as economies improve.

**Asia-Pacific markets:** Asia-Pacific markets fell on Friday, led by Japan's Nikkei 225, mirroring moves on Wall Street after comments from U.S. Federal Reserve officials fueled worries that the central bank could hold off on rate cuts.

## International Markets

**USD:** Most Asian currencies moved little on Friday with the Japanese yen steadying near two-week highs, while the dollar rose as anticipation of key nonfarm payrolls data spurred more caution over U.S. interest rates.

**GBP:** GBP/USD trades with mild losses near 1.2640 on the USD's recovery on Friday. The US weekly Initial Jobless Claims rose last week to the highest since January. Investors expect the BoE to cut the rates in June as UK inflation is slowing consistently. The GBP/USD pair trades with a mild negative around 1.2640 bias on Friday during the early Asian session. The modest rebound of the US Dollar (USD) to 104.20 amid the cautious mood provides some support to the major pair.

**EUR:** EUR/USD rises to 1.0858, facing resistance at the 100-day MA, influenced by US data and Eurozone PMIs. Rising US jobless claims and trade deficit, alongside falling Treasury yields, weigh on the Dollar. Fed's cautious stance on rate cuts due to inflation, and stronger Eurozone services PMIs, support the Euro. The Euro posts solid gains against the US Dollar, though it faces stirring resistance at the 100-day moving average (DMA), which caps the pair's advance toward 1.0900. Weaker-than-expected US jobs market data and upbeat services PMIs in the Eurozone (EU) sponsored a leg-up for the shared currency. The EUR/USD trades at 1.0858, up 0.21%.

**INR:** The Indian rupee was little changed on Friday amid expectations that the country's central bank will intervene, which countered weak risk appetite, a stronger U.S. dollar and rising oil prices. The rupee was at 83.4150 to the dollar at 9.52 a.m. IST compared with its previous close of 83.4375 and the 83.4550 record low hit on Thursday.

Source: Reuters.

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