

GLOBAL MARKETS NEWSLETTER

Tuesday May 28th, 2024

Local Markets:

The Kenya's shilling was stable on Monday, although it could post gains on the back of expected dollar inflows from the tourism sector.

Today's expected USD/KES trading range is 132.00 – 134.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	132.00	134.00			
GBP/KES	168.40	171.50	GBP/USD	1.2820	1.2783
EUR/KES	143.20	145.90	EUR/USD	1.0899	1.0870
INR/KES		1.6210	AUD/USD	0.6698	0.6656
			USD/INR	82.90	82.80
			Commodities		
			Gold	2352.42	2,343.01
			Brent Crude	83.27	82.34

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9453%	15.9370%	-
182 Days	16.5638%	16.5176%	-
364 Days	16.6231%	16.5295%	-
KES INFLATION	5.7%	5.0%	30 th May 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%	

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Top News

Oil: Asian shares held a mixed tone on Tuesday after rallying the previous session, as rising bets of an imminent European rate cut helped risk appetite ahead of some key inflation data

Asia-Pacific markets: Asian shares held a mixed tone on Tuesday after rallying the previous session, as rising bets of an imminent European rate cut helped risk appetite ahead of some key inflation data.

International Markets

USD: Most Asian currencies firmed slightly on Tuesday, while the dollar drifted lower in holiday-thinned trade as markets awaited inflation data from several major economies this week.

GBP: GBP/USD trades with mild positive bias near 1.2770 in Tuesday's early Asian session. Traders lower their bets on interest rate cuts by the Fed amid strong US data and the Fed's hawkish comments. The BoE might stay on hold on the rate, boosting the GBP. The GBP/USD pair consolidates its upside around 1.2770 after reaching two-month highs during the early Asian session on Tuesday.

EUR: EUR/USD found little gains against the weaker Greenback. European economic data thin this week, US PCE inflation key print. US GDP, Fed speak to feature prominently this week. EUR/USD found little momentum on Monday, cycling near 1.0860 after US markets were dark for the holiday long weekend. Tuesday will kick off the Fiber's trading week in earnest after German sentiment surveys hobbled the Euro (EUR) on Monday.

INR: Indian Rupee holds positive ground on Tuesday. The weaker USD and foreign flows into Indian equities created a headwind for USD/INR. Traders await India's Q4 GDP and US PCE inflation data, which are due on Friday. Indian Rupee (INR) trades in positive territory on Tuesday on a softer US dollar (USD). The appreciation of the INR is backed by a positive trend in domestic equities, with the country's benchmark indices reaching new peaks. Foreign flows into Indian equities are expected to be a significant driver for the INR this week as investors await the outcome of India's general elections on June 4.

Source: Reuters.

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