

GLOBAL MARKETS NEWSLETTER

Thursday May 30th, 2024

Local Markets:

The Kenya's shilling was unchanged against the dollar on Wednesday.

Today's expected USD/KES trading range is 131.00 – 133.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	132.00	133.00			
GBP/KES	166.00	168.50	GBP/USD	1.2750	1.2795
EUR/KES	141.00	143.20	EUR/USD	1.0840	1.0890
INR/KES		1.6060	AUD/USD	0.6645	0.6685
			USD/INR	83.00	82.95
			Commodities		
			Gold	2332.64	2,358.65
			Brent Crude	83.48	84.43

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: Oil prices were mostly stable on Thursday as the markets await U.S. crude oil stockpiles data, though resilient U.S. economic activity pointed to borrowing costs staying higher for longer in a potential blow to demand.

Asia-Pacific markets: Asian stocks were a sea of red on Thursday and bonds slid on bets global interest rates would stay higher for longer, as investors looked to key inflation readings at the end of the week for further clues on the future path of monetary policy.

International Markets

USD: Most Asian currencies weakened on Thursday, while the dollar crested over two-week peaks amid caution ahead of more key cues on U.S. inflation and interest rates in the coming days.

GBP: GBP/USD trades softer around 1.2695 on the firmer USD on Thursday. Investors await the US Q1 GDP on Thursday, which is expected to expand by 1.3%. A softer UK inflation outlook triggered the rate cut expectation from the BoE. The GBP/USD pair weakens to 1.2695 during the early Asian session on Thursday. The downtick of the pair is supported by the stronger US Dollar (USD) amid the higher US yields and lower bets of the Federal Reserve (Fed) rate cut in September.

EUR: EUR/USD backslid into 1.0800 on Wednesday as risk appetite withers. German inflation figures mixed in May, vexing ECB rate cut hopes. US GDP growth, PCE inflation data key print this week. EUR/USD pulled back sharply on Wednesday, falling back to the 1.0800 handle after broad risk appetite evaporated. The pair is trading firmly into technical resistance as investors gear up for a batch of mid-tier European economic indicators on Thursday, followed by an update to US quarterly Gross Domestic Product (GDP) growth.

INR: The Indian rupee, having opened weak on Thursday on worries over the rise in U.S. Treasury yields, received help from dollar offers from public sector banks.

Source: Reuters.

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