

GLOBAL MARKETS NEWSLETTER

Thursday 9th May 2024

Local Markets:

The Kenya's shilling gained against the dollar on Wednesday, bolstered by market expectation the east African country will secure a \$1 billion disbursement from the International Monetary Fund (IMF), and a lull in importers' forex demand.

Today's expected USD/KES trading range is 130.0 – 132.50.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	130.00	132.50			
GBP/KES	161.50	165.20	GBP/USD	1.2520	1.2530
EUR/KES	139.00	142.25	EUR/USD	1.0767	1.0781
INR/KES		1.6000	AUD/USD	0.6579	0.6620
			USD/INR	83.2750	83.2845
			Commodities		
			Gold	2318.79	2,319.42
			Brent Crude	83.94	82.70

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.8232%	15.8029%	-
182 Days	16.4600%	16.4667%	-
364 Days	16.4924%	16.5077%	-
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%	

Top News

Oil: Crude oil prices recovered sharply from three months low level after data showed the US crude stockpiles fell last week as refiners slowly ramped up output ahead of the summer driving season. WTI crude recovered from lows of \$76.91 to settle-up by 0.8% at \$78.99 a barrel.

Asia-Pacific markets: China stocks rose Thursday as its imports surged past estimates and exports rose in line with expectations, while the broader Asia-Pacific market was mixed.

International Markets

USD: Most Asian currencies moved in a flat-to-low range on Thursday as markets sought more cues on U.S. interest rates from Federal Reserve officials and upcoming inflation data.

GBP: GBP/USD trades on a softer note near 1.2495 in Thursday's early Asian session. Fed's Collins emphasized the need to stay higher for longer, as it will take longer than previously thought to bring inflation down. BoE is widely expected to keep its policy rate unchanged at 5.25% on Thursday. The GBP/USD pair remains on the defensive around 1.2495 on Thursday during the early Asian session. Greenback edges higher for the third consecutive day, which weighs on the major pair.

EUR: EUR/USD could lose ground due to hawkish sentiment surrounding the Fed's policy stance. Fed officials indicated the likelihood of the Fed maintaining the higher rates for a longer period. ECB may begin reducing borrowing costs as early as June. EUR/USD could extend its losses for the third successive session, trading around 1.0750 during the Asian session on Thursday. The US Dollar (USD) appreciates amid expectations of the Federal Reserve's (Fed) maintaining higher interest rates.

INR: The Indian currency is expected to inch higher at the open on Thursday, ignoring the weakness in its Asian peers and the uptick in U.S. Treasury yields.

Source: Reuters.

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