

# GLOBAL MARKETS NEWSLETTER

Tuesday July 16<sup>th</sup>, 2024

## Local Markets:

Kenya's shilling was unchanged against the dollar on Monday.

Today's expected USD/KES trading range is 128.00 – 130.25

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	128.50	130.50			
<b>GBP/KES</b>	166.20	169.80	<b>GBP/USD</b>	1.2993	1.3000
<b>EUR/KES</b>	139.60	142.80	<b>EUR/USD</b>	1.0911	1.0918
<b>INR/KES</b>		1.5652	<b>AUD/USD</b>	0.6769	0.6807
			<b>USD/INR</b>	83.73	83.80
			<b>Commodities</b>		
			<b>Gold</b>	2429.80	2410.85
			<b>Brent Crude</b>	84.58	85.16

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	15.9954%	15.9868%	-
<b>182 Days</b>	16.8221%	16.7951%	-
<b>364 Days</b>	16.8795%	16.8299%	-
<b>KES INFLATION</b>	4.60%	5.1%	31st July 24
<b>KES CBR</b>	13.00%	13.00%	
<b>FED RATE</b>	5.50%	5.50%	
<b>ECB RATE</b>	3.75%	4.00%	
<b>BOE RATE</b>	5.25%	5.25%	
<b>RBI RATE</b>	6.50%	6.50%	

## Top News

**Oil:** Oil prices edged lower on Tuesday on worries about a slowing Chinese economy crimping demand, though a growing consensus that the U.S. Federal Reserve will begin cutting its key interest rate as soon as September limited declines.

**Asia-Pacific markets:** Asia-Pacific markets were mixed on Tuesday after Federal Reserve Chair Jerome Powell's dovish comments sent Wall Street higher overnight.

## International Markets

**USD:** The dollar hung around five-week lows on Tuesday as comments from Federal Reserve Chair Jerome Powell bolstered the case for a rate cut in September, while in effect, cryptocurrencies gained on rising odds of former President Donald Trump getting reelected.

**GBP:** GBP/USD trades around 1.2960 during the Asian session on Tuesday, remaining close 13-month high at 1.2995 recorded in the previous session. The British Pound (GBP) may appreciate further as investors consider UK markets a more attractive investment destination compared to US markets, which face political uncertainties.

**EUR:** The EUR/USD pair trades on a weaker note around 1.0890 during the early Asian trading hours on Tuesday. The renewed US Dollar (USD) demand weighs on the major pair. Traders will keep an eye on US Retail Sales for June and the speech from the Federal Reserve's (Fed) Adriana Kugler on Tuesday.

**INR:** The Indian Rupee (INR) extends downside on Tuesday as the US Dollar (USD) strengthened across the board. The weakness in the Chinese Yuan after slower-than-expected economic growth in China for the second quarter might weigh on Asian currencies, including the INR.

Source: Reuters.

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

**DISCLAIMER:** Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.