

# GLOBAL MARKETS NEWSLETTER

Wednesday July 31<sup>st</sup>, 2024

## Local Markets:

Kenya's shilling held steady on Tuesday, with projections that dollar inflows from the tourism and agricultural sectors would bolster it's strength.

Today's expected USD/KES trading range is 127.00/ 130.75

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	127.00	130.75			
<b>GBP/KES</b>	163.04	168.00	<b>GBP/USD</b>	1.2868	1.2875
<b>EUR/KES</b>	137.40	141.70	<b>EUR/USD</b>	1.0849	1.0848
<b>INR/KES</b>		1.5681	<b>AUD/USD</b>	0.6512	0.6575
			<b>USD/INR</b>	83.38	83.38
			<b>Commodities</b>		
			<b>Gold</b>	2419.53	2389.51
			<b>Brent Crude</b>	79.93	79.47

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	16.0000%	16.0215%	-
<b>182 Days</b>	16.8506%	16.8521%	-
<b>364 Days</b>	16.9212%	16.8971%	-
<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 futures clawed back some losses on Wednesday, recovering from 7-week lows as geopolitical tensions rose after Israel retaliated against an attack by Hezbollah, although prices remained under pressure from concerns about demand in China.

**Asia-Pacific markets:** Asia-Pacific markets rose Wednesday as investors assessed China's business activity data, with Japan's Nikkei 225 reversing course to log gains after the country's central bank raised benchmark interest rates to around 0.25%.

## International Markets

**USD:** The US Dollar, measured by the DXY index, continues its upward trend. Despite uncertainties hanging in the air over the Federal Reserve's (Fed) next steps, optimism about the robustness of the US economy is helping the Greenback to gain ground.

**GBP:** The GBP/USD pair remains on the defensive near 1.2840 during the early Asian trading hours on Wednesday. The markets might turn cautious ahead of the FED Interest Rate Decision on Wednesday, followed by the Bank of England (BoE) policy meeting on Thursday.

**EUR:** The EUR/USD pair trades on a stronger note around 1.0825, snapping the two-day losing streak during the Asian session on Wednesday. However, the upside of the major pair might be capped amid the uncertainty surrounding further rate cuts in September by the European Central Bank (ECB) after disappointing economic growth data from Germany.

**INR:** The Indian Rupee (INR) holds steady on Wednesday. The upside of local currency might be limited, largely driven by persistent US Dollar (USD) high demand for month-end payments, which dragged the INR lower near record lows over last few trading sessions.

Source: Reuters.

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