

GLOBAL MARKETS NEWSLETTER

Friday July 5th, 2024

Local Markets:

The Kenyan shilling was flat in a quiet session on Thursday, as the worst anti-government protests were thought to probably be over.

Today's expected USD/KES trading range is 127.25 – 129.25

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.25	129.25			
GBP/KES	162.45	165.60	GBP/USD	1.2789	1.2766
EUR/KES	137.70	140.50	EUR/USD	1.0840	1.0806
INR/KES		1.5543	AUD/USD	0.6780	0.6745
			USD/INR	83.85	84.06
			Commodities		
			Gold	2364.32	2367.02
			Brent Crude	87.13	86.98

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9868%	15.9771%	-
182 Days	16.7951%	16.7636%	-
364 Days	16.8299%	16.7911%	-
KES INFLATION	4.60%	5.1%	31st July 24
KES CBR	13.00%	13.00%	
FED RATE	5.50%	5.50%	
ECB RATE	3.75%	4.00%	
BOE RATE	5.25%	5.25%	
RBI RATE	6.50%	6.50%	

Top News

Oil: Oil prices for Brent crude hit their highest level since April holding above \$87 after data showed a decline in U.S. inventories. Those gains followed a larger than expected decline in U.S. crude stocks

Asia-Pacific markets: Asia-Pacific markets were largely lower on Friday as Investors wait to assess retail sales numbers out from Singapore later today.

International Markets

USD: The dollar retreated slightly Thursday after the release of data showing softer-than-expected ADP employment figures and a weak purchasing managers index reading on non-manufacturing activity. This data has increased expectations that a cooling U.S. economy will persuade Fed officials to sanction interest rate cuts in the near future.

GBP: The Pound Sterling (GBP) continues its winning streak on Friday. As UK election results shows a landslide victory for Keir Starmer's Labour Party, winning majority seats in The House of Commons.

EUR: EUR/USD continues its winning streak for the seventh successive day, trading above 1.0820 during the Asian hours on Friday. A technical analysis of the daily chart indicates a bullish bias, with the pair oscillating within an ascending channel.

INR: The Indian Rupee (INR) weakens on Friday amid elevated crude oil prices and local US Dollar (USD) demand. Pressure on the Japanese Yen and Chinese Yuan had put Asian peers on the defensive in previous trading sessions, but the recent discouraging US economic data helped to alleviate the INR's depreciation. Market players will closely monitor the US June employment data on Friday. These figures might offer some hints about the Federal Reserve's (Fed) policy rates trajectory.

Source: Reuters.

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