

# GLOBAL MARKETS NEWSLETTER

Tuesday August 13<sup>th</sup>, 2024

## Local Markets:

The Kenya's shilling firmed slightly against the U.S dollar on Monday.

Today's expected USD/KES trading range is 127.00/130.00

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	127.00	130.00			
<b>GBP/KES</b>	162.48	166.40	<b>GBP/USD</b>	1.2824	1.2789
<b>EUR/KES</b>	138.90	142.50	<b>EUR/USD</b>	1.0968	1.0951
<b>INR/KES</b>		1.5555	<b>AUD/USD</b>	0.6613	0.6624
			<b>USD/INR</b>	83.57	83.85
			<b>Commodities</b>		
			<b>Gold</b>	2461.60	2433.12
			<b>Brent Crude</b>	81.68	79.90

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	15.8177%	15.9884%	-
<b>182 Days</b>	16.7148%	16.8502%	-
<b>364 Days</b>	16.9141%	16.9206%	-
<b>KES INFLATION</b>	4.30%	4.60%	31st Aug. 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, breaking a five-day streak of gains, as markets refocused on concerns about demand after OPEC on Monday cut its forecast for demand growth in 2024 due to softer expectations in China.

**Asia-Pacific markets:** Japan's major indexes rose sharply on Tuesday as trading in the country's stocks resumed after a holiday, while the broader Asia-Pacific market was mixed.

## International Markets

**USD:** The dollar was in limbo on Tuesday as investors waited to see how U.S. economic data affected the chance of outsized rate cuts. The dollar index and dollar index futures moved little in Asian trade, extending a sluggish overnight performance as anticipation of the inflation data deterred big bets.

**GBP:** The GBP/USD pair attracts some dip-buyers during the Asian session on Tuesday and climbs to a fresh daily peak, around the 1.2775-1.2780 region in the last hour. Spot prices, however, remain confined in the previous day's broader trading range as traders keenly await important macro data from the UK and the US before placing fresh directional bets.

**EUR:** The EUR/USD pair trades in positive territory around 1.0940 during the Asian session on Tuesday. The major pair posts modest gains amid the consolidation of the Greenback. The release of the US Producer Price Index (PPI) will be in the spotlight later on Tuesday. The headline PPI is estimated to ease to 0.1% month-over-month in July from 0.2% in the previous reading.

**INR:** The Indian Rupee (INR) weakens on Tuesday despite the US Dollar (USD) trading in a consolidative theme. The combination of a decline in its Asian peers, the rise of crude oil prices, the softer Indian inflation data and a cautious mood in the market ahead of key US economic data contribute to the INR's downside. However, the likely intervention by the Reserve Bank of India (RBI) to sell USD to prevent local currency from a more significant depreciation could limit the pair's upside.

Source: Reuters.

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