

# GLOBAL MARKETS NEWSLETTER

Thursday August 15<sup>th</sup>, 2024

## **Local Markets:**

The Kenya's shilling was flat against the U.S. dollar on Wednesday, as foreign-currency inflows for a bond auction matched reduced dollar demand from manufacturers and fuel importers

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>	163.00	166.50	<b>GBP/USD</b>	1.2883	1.2860
<b>EUR/KES</b>	139.80	142.85	<b>EUR/USD</b>	1.1043	1.1006
<b>INR/KES</b>		1.5585	<b>AUD/USD</b>	0.6641	0.6654
			<b>USD/INR</b>	83.47	83.57
			<b>Commodities</b>		
			<b>Gold</b>	2451.64	2461.87
			<b>Brent Crude</b>	79.87	81.19

## **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 rose on Thursday, supported by optimism potential U.S. interest rate cuts will boost economic activity and fuel consumption though concerns over slower global demand curbed gains.

**Asia-Pacific markets:** Asian stocks were firm on Thursday while the dollar remained on the back foot amid lower U.S. Treasury yields after benign consumer inflation data overnight reinforced bets for the Federal Reserve to start cutting interest rates next month.

## **International Markets**

**USD:** The dollar was soft on Thursday, with the euro perched near an eight-month high after data showed U.S. inflation was slowing, underpinning wagers that the Federal Reserve could lower borrowing costs next month.

**GBP:** GBP/USD regains positive traction following the previous day's post-US CPI decline. Dovish Fed expectations and a positive risk tone weigh on the USD and lend support. Traders now look to the UK GDP print for some impetus ahead of the US macro data. The GBP/USD pair attracts some dip-buying during the Asian session on Thursday and reverses a part of the previous day's post-US CPI retracement slide from the vicinity of the monthly peak.

**EUR:** EUR/USD hovers around 1.1010 in Thursday's Asian session. Eurozone GDP climbed 0.3% in the three months to June, matching the estimate. US CPI inflation was in line with market consensus. The EUR/USD pair consolidates its gains near 1.1010 after retracing from the fresh seven-month top during the Asian session on Thursday.

**INR:** India's currency, debt and equity markets will be closed on Thursday, Aug. 15, for a holiday. Trading will resume on Friday, Aug. 16. India's benchmark indexes closed little changed on Wednesday, as broad-based profit booking offset gains in IT stocks. The NSE Nifty 50 .NSEI settled 0.02% higher at 24,143.75 points, and the S&P BSE Sensex .BSESN added 0.19% to 79,105.88.

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