

GLOBAL MARKETS NEWSLETTER

Tuesday August 20th, 2024

Local Markets:

The Kenya's shilling was stable against the U.S. dollar on Monday as foreign exchange demand eased.

Today's expected USD/KES trading range is 127.25/130.25

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.25	130.25			
GBP/KES	165.00	168.80	GBP/USD	1.2999	1.2996
EUR/KES	141.00	144.00	EUR/USD	1.1096	1.1079
INR/KES		1.5570	AUD/USD	0.6742	0.6702
			USD/INR	83.61	83.90
			Commodities		
			Gold	2503.10	2503.64
			Brent Crude	77.06	79.43

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.8094%	15.8177%	-
182 Days	16.7078%	16.7148%	-
364 Days	16.8664%	16.9141%	-
KES INFLATION	4.30%	4.60%	31st Aug. 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 edged lower on Tuesday as Israel accepted a proposal to tackle disagreements blocking a ceasefire deal in Gaza, helping ease worries about a supply disruption in the Middle East.

Asia-Pacific markets: Asia-Pacific markets were mostly up on Tuesday, tracking Wall Street rally overnight, while investors also assessed minutes of the Reserve Bank of Australia's latest meeting.

International Markets

USD: Most Asian currencies drifted higher on Tuesday, while the dollar steadied at a more-than seven-month low amid growing conviction that the Federal Reserve will cut interest rates in September.

GBP: GBP/USD fell just shy of reclaiming the 1.3000 handle on Monday. UK and US PMIs slated for Thursday this week. Jackson Hole Economic Symposium kick-off looms ahead. GBP/USD rose one-third of one percent after the US Dollar continued to recede to kick off the new trading week. Greenback flows extended a near-term course reversal as investors shrug off a recent downswing in market sentiment.

EUR: EUR/USD gains half of a percent as markets force the Greenback lower. Impending major central banking summit has investors looking out for Fedspeak. EU and US PMIs due later in the week. EUR/USD rallied into a half-percent gain on Monday as investors kick off the new trading week with a fresh dog-pile into broad-market buy buttons.

INR: The Indian Rupee holds steady near two-week highs in Tuesday's early Asian session. Weaker Greenback and lower crude oil prices support the INR; renewed USD demand and Indian outflows might cap its upside. Investors will watch the Fed's Raphael Bostic and Michael Barr speeches on Tuesday. The Indian Rupee (INR) trades flat on Tuesday. The further decline of the US Dollar (USD) has boosted Asian currencies and lifted the INR to its highest in two weeks

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