

GLOBAL MARKETS NEWSLETTER

Monday August 26th, 2024

Local Markets:

The Kenya's shilling was stable against the U.S dollar on Friday, as the dollar was hit by a lull in demand. It is believed that most buyers are staying away from purchasing (dollars) because the shilling has maintained this level for a while now. It is a wait and see approach.

Today's expected USD/KES trading range is 127.05/130.05

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.05	130.05			
GBP/KES	167.74	171.80	GBP/USD	1.3233	1.3137
EUR/KES	142.08	145.70	EUR/USD	1.1213	1.1153
INR/KES		1.5572	AUD/USD	0.6796	0.6744
			USD/INR	83.52	83.53
			Commodities		
			Gold	2511.14	2492.76
			Brent Crude	79.56	77.27

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.7940%	15.8094%	-
182 Days	16.6686%	16.7078%	-
364 Days	16.8592%	16.8664%	-
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 extended gains on Monday on fears a major spillover in fighting from the Gaza conflict into the Middle East could disrupt regional oil supplies, while imminent U.S. interest rate cuts lifted the global economic and fuel demand outlook.

Asia-Pacific markets: Asia-Pacific markets were mixed on Monday amid escalating tensions in the Middle East with Israel and Hezbollah trading strikes, while investors assessed dovish comments from U.S. Federal Reserve Chairman Jerome Powell.

International Markets

USD: The U.S. currency hovered near its lowest in 13 months on Monday as Federal Reserve Chair Jerome Powell's emphatic dovish shift contrasted sharply with Bank of Japan chief Kazuo Ueda's steadfastly hawkish tone.

GBP: The GBP/USD pair trades on a stronger note around 1.3215 during the early Asian session on Monday. The signal that the US Federal Reserve (Fed) will start easing its monetary policy in September drags the Greenback lower and supports GBP/USD. Market players await the US Durable Goods Orders for July, which are due later on Monday.

EUR: The EUR/USD pair extends its gains for the second session, trading around 1.1190 during the Asian session on Monday. This upside of the EUR/USD pair is attributed to the lower US Dollar (USD) following the dovish speech from the US Federal Reserve (Fed) Chairman Jerome Powell at the Jackson Hole Symposium on Friday.

INR: The Indian Rupee (INR) trades sideways on Monday despite the softer US Dollar (USD). Traders expect the INR's downside might be limited as the Reserve Bank of India (RBI) might step in to sell the USD and prevent the INR from breaching the key 84.00 level.

Source: Reuters.

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