

GLOBAL MARKETS NEWSLETTER

Tuesday August 27th, 2024

Local Markets:

The Kenya's shilling was stable against the U.S dollar on Monday with market activity being muted despite S&P Global downgrading the country's sovereign credit rating late on Friday.

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	167.68	171.70	GBP/USD	1.3228	1.3233
EUR/KES	141.88	145.50	EUR/USD	1.1197	1.1213
INR/KES		1.5555	AUD/USD	0.6810	0.6796
			USD/INR	83.61	83.52
			Commodities		
			Gold	2515.97	2511.14
			Brent Crude	81.43	79.56

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 paused their recent advances, receding in Asian trading on Tuesday after surging more than 7% in the previous three sessions on supply concerns prompted by fears of a wider Middle East conflict and the shutdown of Libyan oil fields.

Asia-Pacific markets: Asia-Pacific markets largely fell on Tuesday, tracking losses in the S&P 500 and the Nasdaq overnight, while investors assessed industrial profit data out of China.

International Markets

USD: The U.S. dollar eased on Tuesday, paring some of their safe-haven gains from the start of the week in the wake of a major missile exchange between Israel and Hezbollah that stoked fears of a wider escalation.

GBP: GBP/USD inches higher following the easing of the concerns about an imminent broader conflict in the Middle East have diminished following an exchange of fire between Israel and Lebanon's Hezbollah that did not escalate further. The risk-sensitive GBP/USD pair trades around 1.3190 during Tuesday's Asian hours.

EUR: EUR/USD recovers its recent losses from the previous session, trading around 1.1170 during the Asian hours on Tuesday. The market optimism prevails after concluding a three-day trip to the Middle East, US Air Force General C.Q. Brown, chairman of the Joint Chiefs of Staff, told Reuters early Tuesday that concerns about an imminent broader conflict in the region have diminished.

INR: The Indian Rupee (INR) trades on a weaker note on Tuesday. The US Dollar (USD) demand from local banks and corporates during the month-end, and a surge in crude oil prices are likely to cap the local currency's gains.

Source: Reuters.

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