

# GLOBAL MARKETS NEWSLETTER

Wednesday August 28<sup>th</sup>, 2024

## Local Markets:

The Kenya's shilling was steady on Tuesday, with foreign exchange inflows from the diaspora matching muted demand from fuel importers and manufacturers.

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
<b>USD/KES</b>	127.05	130.05			
<b>GBP/KES</b>	168.00	172.10	<b>GBP/USD</b>	1.3254	1.3228
<b>EUR/KES</b>	141.55	145.10	<b>EUR/USD</b>	1.1172	1.1197
<b>INR/KES</b>		1.5551	<b>AUD/USD</b>	0.6810	0.6810
			<b>USD/INR</b>	83.63	83.61
			<b>Commodities</b>		
			<b>Gold</b>	2504.92	2515.97
			<b>Brent Crude</b>	79.56	81.43

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	15.7940%	15.8094%	-
<b>182 Days</b>	16.6686%	16.7078%	-
<b>364 Days</b>	16.8592%	16.8664%	-
<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 rebounded on Wednesday after a sharp drop in the previous session ended a three-day streak of gains as investors have whipsawed between concerns about potential supply losses from Libya and the Middle East and worries about global fuel demand.

**Asia-Pacific markets:** Asia-Pacific markets fell on Wednesday, as investors assessed Australia's July inflation numbers, which came in higher than expected. Minutes of the Reserve Bank of Australia's last meeting revealed that the central bank had considered raising interest rates as it strives to tame inflation.

## International Markets

**USD:** The U.S. dollar ticked up on Wednesday, even as investors await a key U.S. inflation report due this week for more clarity on the size of a likely rate cut by the Federal Reserve in the coming month.

**GBP:** GBP/USD tested into a fresh multi-year high on Tuesday, easing into a 29-month peak of 1.3266 as the Pound Sterling continues to catch a ride on a broad-market Greenback sell wave.

**EUR:** EUR/USD drifted into the high side on Tuesday, bolstered by a continued broad-market easing in Greenback bidding pressure. Fiber ticked back into the high end after the trading week kicked off with a slight pare back in recent gains, but a fresh round of risk-on market sentiment sent bids back into recent highs.

**INR:** The Indian Rupee (INR) extends its losses on Wednesday, pressured by the weakness in Asian peers and US Dollar (USD) demand from importers. Nonetheless, positive domestic markets and Federal Reserve (Fed) Chair Jerome Powell's dovish comments at the Jackson Hole meeting last week might cushion the rupee's downside.

Source: Reuters.

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