

# GLOBAL MARKETS NEWSLETTER

Wednesday August 7<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling eased slightly on Tuesday, and it was expected to hold steady during the session, with dollar demand from various sectors being matched by supply.

Today's expected USD/KES trading range is 127.00/130.75

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.00	130.75			
GBP/KES	161.33	166.20	GBP/USD	1.2733	1.2800
EUR/KES	138.53	142.90	EUR/USD	1.0938	1.0977
INR/KES		1.5644	AUD/USD	0.6571	0.6536
			USD/INR	83.58	83.48
			Commodities		
			Gold	2393.31	2399.19
			Brent Crude	76.61	77.09

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9884%	16.0000%	-
182 Days	16.8502%	16.8506%	-
364 Days	16.9206%	16.9212%	-
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 slipped in early Asian trading on Wednesday following a brief rebound in the previous session after industry data showed an unexpected build in U.S. crude oil and gasoline inventories, offsetting global oil supply concerns.

**Asia-Pacific markets:** Asia-Pacific markets extended gains on Wednesday, tracking Wall Street benchmarks that snapped a three-day losing streak overnight.

## International Markets

**USD:** The dollar was steady on Wednesday as currency markets regained a semblance of calm in a week that began with a massive shakeout in assets driven by recession fears and unwinding of popular carry trades.

**GBP:** GBP/USD retraces its recent losses, trading around 1.2710 during the Asian session on Wednesday. This upside could be attributed to the tepid US Dollar (USD) following the rising expectations of a more aggressive rate cut starting in September after the weaker US employment data in July raised the fear of a looming US recession.

**EUR:** The EUR/USD pair trades on a softer note near 1.0915 after retracing from seven-month highs of nearly 1.1008 during the Asian trading hours on Wednesday. The firmer US Dollar (USD) broadly drags the major pair lower. Investors await the release of June Trade Balance and Industrial Production from Germany, which are due later in the day.

**INR:** The Indian Rupee (INR) edges higher on Wednesday despite the stronger US Dollar (USD). The downside of the local currency is likely to be limited as potential intervention from the Reserve Bank of India (RBI) might prevent the local currency from volatility in the near term.

Source: Reuters.

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