

# GLOBAL MARKETS NEWSLETTER

Wednesday September 18<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling was unchanged on Tuesday as dollar inflows from the tourism sector balanced demand from the manufacturing sector.

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	167.35	171.40	GBP/USD	1.3202	1.3241
EUR/KES	141.30	144.90	EUR/USD	1.1151	1.1159
INR/KES		1.5594	USD/INR	83.40	83.50
			AUD/USD	0.6788	0.6776
			Commodities		
			Gold	2568.72	2582.20
			Brent Crude	73.21	73.13

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.7502%	15.7677%	-
182 Days	16.6248%	16.6255%	-
364 Days	16.8168%	16.8228%	-
KES INFLATION	4.40%	4.30%	30th Sept. 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 steadied on Wednesday, after rising in the previous two sessions, as investors await the U.S. Federal Reserve's anticipated interest rate cut, with the potential for more violence in the Middle East supporting the market.

**Asia-Pacific markets:** Asia-Pacific markets opened mixed on Wednesday, following gains on Wall Street that saw both the S&P 500 and the Dow Jones Industrial Average reach new highs.

## International Markets

**USD:** The dollar steadied on Wednesday as stronger-than-expected U.S. retail sales had traders slightly trimming bets that the U.S. easing cycle will begin with an outsized interest rate cut.

**GBP:** GBP/USD inches higher to near 1.3160 during the Asian hours on Wednesday. Traders await the release of August Consumer Price Index (CPI) figures from the United Kingdom (UK). Traders will shift their focus on the Federal Reserve (Fed) interest rate decision scheduled later in the North American session.

**EUR:** The EUR/USD pair trades on a stronger note around 1.1125 during the Asian trading hours on Wednesday. The rising expectation of the US Federal Reserve (Fed) deeper rate cut provides some support to the major pair. The Eurozone Harmonized Index of Consumer Prices (HICP) data and the Fed monetary policy meeting will be the highlights on Wednesday.

**INR:** The Indian Rupee (INR) trades on a flat note on Wednesday after climbing to a month-high of 83.75 in the previous session. The downtick of the pair is pressured by the rising expectations of a deeper Federal Reserve (Fed) rate cut and robust US Dollar sales. Nonetheless, the extended recovery of crude oil prices might undermine the local currency and help limit USD/INR losses.

Source: Reuters.

For further enquiries, kindly call: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

**DISCLAIMER:** Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.