

GLOBAL MARKETS NEWSLETTER

Thursday September 5th, 2024

Local Markets:

The Kenyan shilling firmed slightly against the U.S dollar on Wednesday helped by the dollar inflows from the agriculture and tourism sectors.

Today's expected USD/KES trading range is 127.00/130.00

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.00	130.00			
GBP/KES	167.00	171.10	GBP/USD	1.3181	1.3140
EUR/KES	140.70	144.30	EUR/USD	1.1110	1.1082
INR/KES		1.5542	AUD/USD	0.6744	0.6720
			USD/INR	83.64	83.63
			Commodities		
			Gold	2504.72	2490.72
			Brent Crude	73.03	73.37

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.7844%	15.7940%	-
182 Days	16.6327%	16.6686%	-
364 Days	16.8421%	16.8592%	-
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 was attempting to hold its line in early trade on Thursday after an overnight sell-off, as players grappled with weak demand alongside a possible delay to more supply entering the market next month.

Asia-Pacific markets: Asia-Pacific markets were mixed on Thursday after a sell-off in the previous session, with Japan's Nikkei 225 and South Korea's Kospi among the major losers.

International Markets

USD: The dollar dipped on Thursday as traders ramped up bets for a supersized rate cut from the Federal Reserve later this month, as concerns over the U.S. economy's growth outlook resurfaced.

GBP: The GBP/USD pair trades with a positive bias around mid-1.3100s during the Asian session on Thursday, albeit it lacks strong follow-through buying and remains below the weekly top touched the previous day.

EUR: EUR/USD inches lower to near 1.1070 during the Asian session on Thursday. The downside of the EUR/USD pair could be attributed to improved US Dollar (USD) amid rising US Treasury yields. Atlanta Fed President Raphael Bostic said that the Fed must not maintain a restrictive policy stance for too long.

INR: The Indian Rupee (INR) extends its downside on Thursday despite the weaker US Dollar (USD). A sell-off in domestic equities tracking global cues weighed on the INR, dragging the local currency to near all-time lows. However, the possible intervention by the Reserve Bank of India (RBI) through USD sales might prevent the Indian Rupee from breaching the 84 mark. Additionally, a fall in crude oil prices could help limit the INR's losses as India is the world's third-largest oil-consuming and importing nation.

Source: Reuters.

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

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