

GLOBAL MARKETS NEWSLETTER

Friday October 11th, 2024

Local Markets:

The Kenyan shilling was steady against the dollar on Wednesday, supported by dollar inflows from the tea sector and diaspora remittances.

The market is taking the Central bank's Tuesday decision to lower its lending rates in its stride.

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	165.70	169.70	GBP/USD	1.3078	1.3119
EUR/KES	138.85	142.40	EUR/USD	1.0963	1.1000
INR/KES		1.5540	USD/INR	83.65	83.63
			AUD/USD	0.6755	0.6767
			Commodities		
			Gold	2644.20	2618.67
			Brent Crude	79.03	77.86

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	14.9900%	15.7183%	-
182 Days	16.0950%	16.5888%	-
364 Days	16.3383%	16.7999%	-
KES INFLATION	3.600%	4.40%	31 st Oct. 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 eased on Friday after a rally the previous day, but prices remained set for a second straight weekly gain as investors weighed the impact of hurricane damage on U.S. demand against any broad supply disruption if Israel attacks Iranian oil sites.

Asia-Pacific markets: Asia-Pacific markets mostly rose Friday, breaking ranks with Wall Street's overnight session which saw key benchmarks slide as investors digested a sticky U.S. inflation report.

International Markets

USD: The U.S. dollar fell from two-month highs hit overnight versus its major peers after signs of weakness in the labor market boosted the case for quicker Federal Reserve rate cuts.

GBP: The GBP/USD pair struggles to capitalize on the previous day's modest bounce from the 1.3020 area or a one-month low and oscillates in a narrow band during the Asian session on Friday. Spot prices currently hover around mid-1.3000s, unchanged for the day, and seem vulnerable to prolonging the recent retracement slide from the highest level since March 2022 touched last month.

EUR: The EUR/USD pair remains on the defensive around 1.0935 during the early European session on Friday. The hotter-than-expected US inflation reading on Thursday has provided some support to the Greenback and caps the upside for the pair.

INR: The Indian Rupee (INR) weakens on Friday amid the firmer US Dollar (USD). Furthermore, sustained Indian foreign fund outflows and elevated crude oil prices continue to undermine the local currency. The hotter-than-expected US inflation data and hawkish comments by Federal Reserve (Fed) officials lift the Greenback and also contribute to the INR's downside.

Source: Reuters.

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