

GLOBAL MARKETS NEWSLETTER

Tuesday October 15th, 2024

Local Markets:

The Kenyan shilling was stable against the dollar on Monday and is expected to remain so. The shilling has been range-bound for several weeks now.

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

Top News

Oil: Oil prices slid \$2 in early Asian trade on Tuesday as OPEC lowered its outlook for global oil demand growth in 2024 and 2025 and a media report that Israel is willing to strike Iranian military and not nuclear or oil targets.

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

International Markets

USD: The U.S. dollar was perched at an over two-month high against major currencies on Tuesday, spurred by wagers the Federal Reserve will proceed with modest rate cuts in the near term.

GBP: GBP/USD churned chart paper just north of 1.3000 early Tuesday, with markets striking a laid-back tone ahead of key UK data due to release in the first half of the trading week. UK wages and jobs additions are slated for Tuesday, with UK Consumer Price Index (CPI) and Producer Price Index (PPI) inflation in the barrel for Wednesday. US Retail Sales figures will round out the middle of the week on Thursday, followed by UK Retail Sales slated for Friday's London market session.

EUR: The EUR/USD pair drifts lower for the second straight day on Tuesday and drops to the 1.0890 area in the last hour, back closer to its lowest level since August 8 touched the previous day. Bearish traders, however, need to wait for a break below the 200-day Simple Moving Average (SMA) before placing fresh bets ahead of the key central bank event risk

INR: The Indian Rupee (INR) edges lower against the US Dollar (USD) on Tuesday. However, the INR may strengthen due to anticipated foreign fund inflows, as the Indian stock market may track the upward trend of its Asian peers, with traders reacting to a record closing on Wall Street.

Source: Reuters.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.00	130.00			
GBP/KES	165.60	169.60	GBP/USD	1.3071	1.3097
EUR/KES	138.30	141.80	EUR/USD	1.0918	1.0958
INR/KES		1.5525	USD/INR	83.59	83.75
			AUD/USD	0.6733	0.6764
			Commodities		
			Gold	2644.87	2658.18
			Brent Crude	74.52	78.09

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%	

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