



GLOBAL MARKETS NEWSLETTER

Tuesday October 1st, 2024

Local Markets:

The Kenya's shilling was stable on Monday, with dollar inflows from tea exports matching month-end importer demand

Today's expected USD/KES trading range is 127.50/129.80

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.10	129.80			
GBP/KES	171.00	173.80	GBP/USD	1.3425	1.3430
EUR/KES	142.20	145.00	EUR/USD	1.1180	1.1196
INR/KES		1.5595	USD/INR	83.5030	83.31
			AUD/USD	0.6962	0.6966
			Commodities		
			Gold	2642.00	2655.27
			Brent Crude	71.77	72.44

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.7183%	15.7463%	-
182 Days	16.5888%	16.6157%	-
364 Days	16.7999%	16.8130%	-
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: Asian stocks eased near two-and-half-year highs on Tuesday and the U.S. dollar firmed following hawkish comments from Federal Reserve Chair Jerome Powell that scuppered bets of big interest rate cuts, while Mid-East tension kept risk sentiment in check.

Asia-Pacific markets: Oil prices were little changed on Tuesday as stronger supply prospects and tepid global demand growth outweighed worries that escalating tensions in the Middle East could impact output from the key exporting region.

International Markets

USD: The dollar rose on Monday after Federal Reserve Chair Jerome Powell adopted a more hawkish tone on the economy, leading traders to pare bets that the U.S. central bank will cut rates by 50 basis points again at its next meeting

GBP: GBP/USD trades with mild negative bias near 1.3370 in Tuesday's Asian session. Lower expectations of a jumbo Fed rate cut lift the US Dollar. BOE's Greene said strong UK consumers could fuel price pressures. The GBP/USD pair struggles to gain ground around 1.3370 during the Asian session on Tuesday. Less dovish remarks from Federal Reserve (Fed) Chair Jerome Powell provide some support to the Greenback and drag the major pair lower

EUR: EUR/USD lacks firm direction as traders await Eurozone inflation data before placing fresh bets. Fed Chair Jerome Powell's hawkish remarks on Monday underpins the USD and caps the major. Bets for more rate cuts by the ECB contribute to keeping a lid on the pair ahead of the key data. The EUR/USD pair struggles to gain any meaningful traction following the previous day's pullback from the vicinity of the 14-month peak – levels just above the 1.1200 mark and oscillates in a narrow band during the Asian session on Tuesday.

INR: Indian Rupee softens in Tuesday's Asian session. The renewed USD demand, volatile crude oil prices, foreign outflows of funds undermine the INR. The HSBC India Manufacturing PMI and US ISM Manufacturing PMI for September will be in the spotlight on Tuesday. The Indian Rupee (INR) trades in negative territory for the third consecutive day on Tuesday. The downtick of the local currency is pressured by strong US Dollar (USD) demand from foreign banks

Source: Reuters.

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