

GLOBAL MARKETS NEWSLETTER

Thursday October 3rd, 2024

Local Markets:

The Kenya's shilling was steady on Wednesday, and was expected to firm, helped by dollar inflows from tea exporters.

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	169.10	172.00	GBP/USD	1.3288	1.3340
EUR/KES	141.00	143.60	EUR/USD	1.1065	1.1094
INR/KES		1.5585	USD/INR	83.7260	83.6520
			AUD/USD	0.6894	0.6940
			Commodities		
			Gold	2656.03	2654.71
			Brent Crude	74.73	74.65

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	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 prices ticked higher in early trade on Thursday as investors weighed the escalating conflict in the Middle East and the potential for disruption to crude flows, against an amply supplied global market.

Asia-Pacific markets: Hong Kong stocks plunged on Thursday as the China stimulus rally appeared to ease. The Hang Seng index fell 3%, coming off a strong session on Wednesday when the index closed over 6% higher after hitting a 22-month high.

International Markets

USD: The dollar hit a three-week high against the euro on Wednesday after the ADP national employment report showed U.S. private payrolls increased more than expected in September, ahead of Friday's highly anticipated jobs data.

GBP: GBP/USD weakens to near 1.3265 in Thursday's early Asian session. The risk-off mood and upbeat US ADP report lift the US Dollar. A less dovish stance of the BoE might cap the pair's downside. The GBP/USD pair extends its downside to around 1.3265 during the early Asian session on Thursday. The renewed demand for the US dollar (USD) amid the rising geopolitical tensions in the Middle East provides some support to the major pair.

EUR: EUR/USD declined for a fourth straight day on Wednesday. Market sentiment keeps one foot in safe havens amid geopolitical uncertainty. Upbeat US jobs data limits hopes for further overweighted Fed rate cuts. EUR/USD trimmed further into the bearish side on Wednesday, dragging Fiber bids further into the low end as markets grapple with an uncertain outlook on the Middle East and evaporating hopes for a follow-up jumbo rate cut from the Federal Reserve (Fed) in November.

INR: Rupee depreciated 11 paise to 83.93 against the US dollar in early trade on Thursday due to rising crude oil prices and negative sentiment in the domestic equity markets amid concerns over escalating tension in the Middle East.

Source: Reuters.

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