

GLOBAL MARKETS NEWSLETTER

Local Markets:

The Kenyan shilling was largely unchanged against the U.S dollar on Wednesday, data from the London Stock Exchange Group showed.

Today's expected USD/KES trading range is 128.30/129.60

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.30	129.60			
GBP/KES	172.25	174.40	GBP/USD	1.3454	1.3461
EUR/KES	145.30	147.20	EUR/USD	1.1356	1.1362
INR/KES		1.5220	USD/INR	85.15	85.00
			AUD/USD	0.6476	0.6483
			Commodities		
			Gold	3337.94	3313.95
			Brent Crude	64.99	66.32

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	8.3699%	8.3815%	-
182 Days	8.5831%	8.6010%	-
364 Days	10.0022%	10.0098%	-
KES INFLATION	4.110%	3.600%	-
KES CBR	10.00%	10.75%	-
FED RATE	4.25%	4.50%	-
ECB RATE	2.65%	2.90%	-
BOE RATE	4.25%	4.50%	-
RBI RATE	6.00%	6.25%	-

Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$61.10 during the Asian trading hours on Thursday. The WTI price edges lower on the report that a fresh round of nuclear talks between the United States and Iran would take place later this week.

Asia-Pacific markets: Most Asian currencies traded slightly higher on Thursday as investors awaited a crucial full floor vote over President Donald Trump's tax cut bill later in the day.

International Markets

USD: The US Dollar Index (DXY), which tracks the performance of the US Dollar (USD) against six major currencies, is facing around 1.3% losses in just three trading days, trading near 99.58. Throughout the week, the USD has already paid the price for the volatile policy swings from the Trump administration, which is facing difficulties.

GBP: GBP/USD trades higher for the fourth successive day with trading around 1.3430 during the Asian hours on Thursday. The upside of the pair is attributed to the weaker US Dollar (USD), which continues to face challenges after Moody's downgraded the US credit rating from Aaa to Aa1.

EUR: EUR/USD is hovering around 1.1340, close to two-week highs during the Asian trading hours. The Euro (EUR) continues its winning streak ahead of the HCOB Purchasing Managers Index (PMI) for the Eurozone, scheduled to be released later in the day. According to the preliminary estimates, the overall business activity is expected to have grown in May at a faster pace than what was seen in April.

INR: The Indian Rupee (INR) loses ground on Thursday. The strong demand for the US Dollar (USD) from foreign banks, likely on behalf of custodial clients, drags the INR lower. Additionally, the rising expectation that the Reserve Bank of India (RBI) will deliver a rate cut in its upcoming Monetary Policy Committee meeting might undermine the local currency. Nonetheless, lower crude oil prices and a multi-phase trade deal between the US and India might provide some support to the Indian currency.

Source: Reuters.

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