



GLOBAL MARKETS NEWSLETTER

Local Markets:

The Kenyan shilling strengthened slightly on Friday, helped by dollar inflows from remittances although the gains were limited by increased foreign-currency demand from general goods importers.

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	173.40	175.50	GBP/USD	1.3546	1.3506
EUR/KES	146.45	148.40	EUR/USD	1.1444	1.1377
INR/KES		1.5265	USD/INR	84.90	84.87
			AUD/USD	0.6486	0.6469
			Commodities		
			Gold	3362.00	3298.37
			Brent Crude	64.78	63.96

Benchmark Rates:

Tenor	Current	Previous	
91 Days	8.2927%	8.3231%	
182 Days	8.5642%	8.5750%	
364 Days	10.0000%	10.0026%	
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 \$62.40 during the Asian trading hours on Tuesday. The WTI price edges higher after the Organization of the Petroleum Exporting Countries and its allies (OPEC+) decided to increase their production again

Asia-Pacific markets: Asia-Pacific markets mostly rose Tuesday after China's manufacturing activity in May shrank at the fastest pace since September 2022, a private survey showed.

International Markets

USD: The US Dollar Index (DXY), which measures the value of the US Dollar against six major currencies, has rebounded from a six-week low of 98.58 and is trading higher near 98.90 during the Asian hours on Tuesday. Traders would likely observe the release of the JOLTS Job Openings later today.

GBP: The GBP/USD pair attracts some sellers during the Asian session on Tuesday and erodes a part of the overnight strong move up to the 1.3560 area, or a multi-day peak. Spot prices drop to the 1.3515 area, or a fresh daily low in the last hour amid a modest US Dollar uptick, though the fundamental backdrop warrants some caution for bearish traders.

EUR: EUR/USD edges lower after registering over 0.50% gains in the previous session, trading around 1.1420 during the Asian hours on Tuesday. The US Dollar (USD) recovers its ground on technical correction, despite growing concerns regarding stagflation in the United States (US). Traders will likely observe Eurozone Harmonized Index of Consumer Prices (HICP) data scheduled to be released on Tuesday. Focus will shift toward the release of the JOLTS Job Openings later in the North American session.

INR: The Indian Rupee (INR) weakens on Tuesday. The renewed US Dollar (USD) demand and a rise in crude oil prices put pressure on the local currency. Barclays Bank Plc strategists said that the INR is likely to underperform even as the USD remains under pressure. "The RBI is expected to be focused on replenishing its FX buffers while allowing its forwards book to run off," added Barclays Bank Plc strategists.

Source: Reuters.

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