

GLOBAL MARKETS NEWSLETTER

Local Markets:

The Kenya's shilling remains stable against the dollar.

Today's expected USD/KES trading range is 128.25/129.55

Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency | Today | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES | 128.25 | 129.55 | | | |
| GBP/KES | 173.60 | 175.70 | GBP/USD | 1.3552 | 1.3565 |
| EUR/KES | 150.15 | 152.10 | EUR/USD | 1.1726 | 1.1738 |
| INR/KES | | 1.4755 | USD/INR | 87.86 | 87.80 |
| | | | AUD/USD | 0.6636 | 0.6638 |
| | | | Commodities | | |
| | | | Gold | 3630.30 | 3643.55 |
| | | | Brent Crude | 67.29 | 67.07 |

Benchmark Rates:

| Tenor | Current | Previous | |
|---------------|---------|----------|--|
| 91 Days | 7.9865% | 7.9999% | |
| 182 Days | 8.0331% | 8.0500% | |
| 364 Days | 9.5790% | 9.5691% | |
| KES INFLATION | 4.50% | 4.15% | |
| KES CBR | 9.50% | 9.75% | |
| FED RATE | 4.25% | 4.50% | |
| ECB RATE | 2.40% | 2.65% | |
| BOE RATE | 4.00% | 4.25% | |
| RBI RATE | 5.50% | 6.00% | |

Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$63.50 during the early Asian trading hours on Thursday. The WTI trades in positive territory for the third consecutive day amid global geopolitical risks.

Asia-Pacific markets: Japan's benchmark Nikkei 225 notched a record high of 44,396.95 on Thursday, mirroring gains on Wall Street overnight on Fed-rate cut hopes and positive inflation data. The Japanese yen was muted after a mixed producer price index inflation reading, which showed prices remaining sticky but falling slightly in August.

International Markets

USD: The US Dollar Index (DXY), an index of the value of the US Dollar (USD) measured against a basket of six world currencies, trades on a flat note around 97.85 during the Asian session on Thursday. Traders brace for the US Consumer Price Index (CPI) for August later on Thursday for fresh impetus.

GBP: GBP/USD moves little for the second successive day, trading around 1.3520 during the Asian hours on Thursday. The pair holds steady after the United Kingdom's (UK) RICS Housing Price Balance fell to -19% in August, its weakest level in nearly two years, down from -13% in July, as subdued buyer demand continues to pressure prices. The reading was worse than expected -10 reading for the same period.

EUR: EUR/USD holds ground after two days of losses, trading around 1.1700 during the Asian hours on Thursday. The pair moves little as traders adopt caution ahead of the European Central Bank (ECB) interest rate decision due later in the day.

INR: The Indian Rupee (INR) opens slightly lower at around 88.25 against the US Dollar (USD) on Thursday. Investors brace for a sideways trend in the USD/INR pair ahead of the United States (US) Consumer Price Index (CPI) data for August, which will be published at 12:30 GMT. The impact of the US inflation data will be significant on the size of the interest rate cut, as the resumption of the monetary-easing campaign by the Federal Reserve (Fed) in its monetary policy meeting next week seems certain.

Source: Reuters.

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