

# NEWSLETTER

## GLOBAL MARKETS

### Local Markets:

Kenyan shilling has remained relatively stable against the dollar in recent months, generally trading within a narrow range. The shilling's recent stability has been supported by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 128.10/129.40

### Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.10	129.40			
GBP/KES	175.70	177.80	GBP/USD	1.3665	1.3725
EUR/KES	151.60	153.60	EUR/USD	1.1865	1.1841
INR/KES		1.4360	USD/INR	90.30	90.08
			AUD/USD	0.7060	0.7024
			Commodities		
			Gold	5089.10	4830.00
			Brent Crude	67.84	65.97

### Benchmark Rates:

Tenor	Current	Previous	
91 Days	7.6326%	7.7274%	
182 Days	7.800%	7.7934%	
364 Days	9.2066%	9.2002%	
KES INFLATION	4.50%	4.50%	
KES CBR	9.00%	9.50%	
FED RATE	3.50%	3.75%	
ECB RATE	2.40%	2.65%	
BOE RATE	4.00%	4.25%	
RBI RATE	5.25%	5.50%	

### Top News

**Oil:** West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$63.75 during the Asian trading hours on Wednesday. The WTI price edges higher amid fears of rising tensions between the United States (US) and Iran. Traders brace for the release of the US Energy Information Administration (EIA) crude oil stockpiles report on Wednesday.

**Asia-Pacific markets.** Asia-Pacific markets mostly fell Wednesday, tracking Wall Street losses after a sell-off in U.S. technology stocks weighed on sentiment, while gold extended gains for a second day.

### International Markets

**USD:** The US Dollar Index is trimming gains, trading at 97.45 at the time of writing after failing to extend gains past a previous support level, now turned resistance, at the 97.75 area.

**GBP:** GBP/USD steadies after registering modest gains in the previous session, trading around 1.3700 during the Asian hours on Wednesday. The technical analysis of the daily chart points to a potential bearish reversal as the range narrows, indicating waning buyer momentum within a rising wedge pattern.

**EUR:** The EUR/USD pair trades on a firmer note near 1.1830 during the early European session on Wednesday. Nonetheless, the upside for the major pair might be limited as traders remain cautious after a partial government shutdown swiftly ended. Later on Wednesday, the preliminary reading of the Harmonized Index of Consumer Prices (HICP) from the Eurozone will be closely watched.

**INR:** The Indian Rupee (INR) opens on a firm note against the US Dollar (USD) on Wednesday, with the USD/INR pair holding onto losses near 90.55.

The near-term trend of the pair seems fragile as the broader outlook of the Indian Rupee has improved, following the trade deal announcement between the United States (US) and India by President Donald Trump. The acknowledgement of the long-awaited US-India trade deal appears to have improved sentiment of foreign investors toward the Indian equity market.

*Source: Reuters.*

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