

# NEWSLETTER

## GLOBAL MARKETS



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## Local Markets

Kenyan shilling is expected to hold steady against the US dollar. The shilling's stability is attributed to support by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 129.30/130.00

**Indicative FX rates as at 8.30am:**

| Currency  | Buying | Selling | Currency    | Today   | Previous |
|-----------|--------|---------|-------------|---------|----------|
| USD / KES | 129.35 | 130.05  |             |         |          |
| GBP / KES | 171.01 | 171.88  | GBP / USD   | 1.3245  | 1.3231   |
| EUR / KES | 145.55 | 146.85  | EUR / USD   | 1.1288  | 1.1301   |
| INR / KES |        | 1.3680  | USD / INR   | 95.95   | 95.85    |
|           |        |         | AUD / USD   | 0.698   | 0.6985   |
|           |        |         | Commodities |         |          |
|           |        |         | Gold        | 4193.25 | 4180.42  |
|           |        |         | Brent Crude | 102.19  | 102.72   |

### Benchmark Rates:

| Tenor         | Current | Previous |
|---------------|---------|----------|
| 91 Days       | 8.78    | 8.78     |
| 182 Days      | 8.89    | 8.89     |
| 364 Days      | 9.04    | 9.04     |
| KES Inflation | 6.68%   | 5.59%    |
| Kes CBR       | 8.75%   | 8.75%    |
| FED Rate      | 3.75%   | 3.75%    |
| ECB Rate      | 2.25%   | 2.00%    |
| BOE Rate      | 3.75%   | 3.75%    |
| RBI Rate      | 5.25%   | 5.25%    |

## Top News

Oil: Oil prices were largely steady on Friday after jumping in the previous session, as investors assessed the risk of a wider Middle East conflict after reports that the U.S. was considering sending additional military assets to the region amid its war with Iran.

Asia-Pacific markets: Asian stocks were mixed on Friday as investors turned cautious ahead of key U.S. jobs data that could shape expectations for the Federal Reserve's interest-rate path, while elevated bond yields and oil prices weighed on risk appetite. Wall Street had ended slightly higher on Thursday after a sharp rise in Treasury yields eased later in the session.

## International Markets

USD: The U.S. dollar jumped on Thursday to hit a nearly one-and-a-half-year peak, as inflationary concerns rose on economic data that showed U.S. manufacturers struggling with rising raw material costs. A slide in the euro after the unveiling of France's budget also boosted the greenback.

GBP: The GBP/USD pair languished near its lowest level since June 26, touched the previous day's low, trading below the 1.3200 mark during the Asian session on Friday amid a bullish US Dollar (USD). Spot prices seem poised to register modest losses for the third straight week as traders now look to the US monthly employment details for a fresh impetus.

EUR: The Euro (EUR) finds temporary support against the US Dollar (USD) on Friday after a four-day losing streak, in which it hits a fresh yearly low at 1.1215. In Asian trade, EURUSD is up 0.1% to near 1.1253 due to a marginal correction in the US Dollar.

INR: The rupee slumped below the psychologically important 96 per dollar mark on Thursday to close at 96.25 against the US dollar, the lowest level in more than two months, on risk aversion in global markets amid surging global bond yields and selling pressure from foreign investors.

Source: Reuters.

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