

# GLOBAL MARKETS NEWSLETTER

Monday 29<sup>th</sup> April 2024

## Local Markets:

The Kenyan shilling was flat on Friday amid a shortage of liquidity on the domestic market.

Today's expected USD/KES trading range is 134.00 – 138.00.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	133.50	138.00			
GBP/KES	167.00	172.80	GBP/USD	1.2586	1.2535
EUR/KES	143.20	148.10	EUR/USD	1.0762	1.0749
INR/KES		1.6645	AUD/USD	0.6594	0.6568
			USD/INR	83.2345	83.2300
			Commodities		
			Gold	2333.33	2,336.26
			Brent Crude	88.70	89.40

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.8232%	15.8029%	-
182 Days	16.4600%	16.4667%	-
364 Days	16.4924%	16.5077%	-
KES INFLATION	6.60%	5.7%	30 <sup>th</sup> April 24
KES CBR	13.00%	13.00%	
FED RATE	5.50%	5.50%	
ECB RATE	4.50%	4.50%	
BOE RATE	5.25%	5.25%	

## Top News

**Oil:** Oil prices fell in early Asian trading on Monday, reversing gains from Friday as U.S. inflation data further dimmed the prospects of interest rate cuts anytime soon and boosted the dollar, which hurts oil demand.

**Asia-Pacific markets:** The Japanese yen strengthened by midday after hitting 160 against the U.S. dollar on Monday as stocks in Asia-Pacific markets largely climbed.

## International Markets

**USD:** The yen jumped suddenly against the dollar on Monday, with traders citing yen-buying intervention by Japanese authorities to boost the currency that is languishing near 34-year lows. The dollar fell sharply to 156.55 yen from as high as 160.245 earlier in the day. Trade sources said Japanese banks were seen selling dollars for yen.

**GBP:** GBP/USD trades on a positive note around 1.2520 amid weaker USD on Monday. The recent US PCE inflation data dialled back their expectation of when the Federal Reserve (Fed) will start cutting interest rates. Investors increased their bets that the BoE will start cutting rates in June. The GBP/USD pair holds positive ground near 1.2520 on Monday during the early Asian session. The uptick of the major pair is supported by the softer US Dollar (USD) below the 106.00 psychological mark. Investors will closely monitor the Federal Open Market Committee (FOMC) interest rate decision and Press Conference on Wednesday.

**EUR:** EUR/USD gains ground 1.0710 amid the softer USD on Monday. The US PCE inflation rose by 2.7% YoY in March, compared to 2.5% prior, which was hotter-than-expected. The ECB might cut interest rates before the Fed amid the cooler inflation in the Eurozone. The EUR/USD pair trades on a stronger note around 1.0710 during the early Asian trading hours on Monday. The weaker US Dollar (USD) below the 106.00 mark provides some support to the major pair.

**INR:** The Indian rupee weakened on Monday pressured by dollar demand from foreign banks and weakness in Asian currencies amid concerns that U.S. rate cuts this year will be delayed.

Source: Reuters.

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