

GLOBAL MARKETS NEWSLETTER

Tuesday 14th May 2024

Local Markets:

The Kenya's shilling was stable on Monday with expectation the currency to gain ground during the session, helped by remittances and dollar inflows from tea exporters.

Today's expected USD/KES trading range is 129.00 – 131.50.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.00	131.50			
GBP/KES	161.50	165.50	GBP/USD	1.2589	1.2561
EUR/KES	139.00	142.20	EUR/USD	1.0798	1.0796
INR/KES		1.5850	AUD/USD	0.6624	0.6640
			USD/INR	83.3040	83.3250
			Commodities		
			Gold	2343.83	2,352.95
			Brent Crude	83.48	82.46

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9036%	15.8232%	-
182 Days	16.5014%	16.4600%	-
364 Days	16.5067%	16.4924%	-
KES INFLATION	5.7%	5.0%	30 th May 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%	

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Top News

Oil: WTI crude oil prices are trading steadier in the range of \$77-\$80 for the past one week, eking out marginal weekly gains, ahead of the crucial monthly oil reports from OPEC, IEA and release of US CPI data and retails sales later this week.

Asia-Pacific markets: Asia-Pacific markets pared gains hours after opening higher on Tuesday as stocks on Wall Street stumbled overnight, with the Dow Jones Industrial Average snapping an eight-day winning streak.

International Markets

USD: Most Asian currencies moved little on Tuesday, tracking a steady dollar as traders remained largely focused on upcoming U.S. inflation readings that are likely to factor into the outlook for interest rates.

GBP: GBP/USD holds its position around the major level of 1.2550 due to improved risk sentiment. Unemployment Rate (3M) is expected to show an increase in unemployed workers. Fed Vice Chair Philip Jefferson has advocated for maintaining current interest rates until signs of inflation easing become apparent. GBP/USD hovers around 1.2560 during the Asian session on Tuesday following the improved risk appetite. The Pound Sterling (GBP) received support from higher-than-anticipated UK Gross Domestic Product (GDP) figures released on Friday.

EUR: EUR/USD could test the upper boundary of the symmetrical triangle. Breaking above the upper boundary could potentially shift momentum toward a bullish trend. A breach below the 14-day EMA at 1.0752 could prompt the pair to test the psychological threshold of 1.0700. EUR/USD has recovered its recent gains registered in the previous session, trading around 1.0780 during the Asian session on Tuesday.

INR: The Indian rupee strengthened 0.02% versus the U.S. dollar and quoted at 83.51 per dollar, tracking rangebound moves in Asian peers. The benchmark 10-year bond IN071833G=CC was quoted at 100.44 rupees, with the yield unchanged at 7.1127%, after local inflation was in line with market estimates, providing little directional triggers

Source: Reuters.

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