

GLOBAL MARKETS NEWSLETTER

Friday 17th May 2024

Local Markets:

The Kenya's shilling was stable on Thursday, but it could weaken in coming days due to demand from fuel retailing companies.

Today's expected USD/KES trading range is 130.00 – 132.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	130.00	132.00			
GBP/KES	164.30	167.50	GBP/USD	1.2692	1.2710
EUR/KES	141.05	143.60	EUR/USD	1.0890	1.0898
INR/KES		1.5945	AUD/USD	0.6688	0.6697
			USD/INR	83.2800	83.2750
			Commodities		
			Gold	2381.36	2,392.24
			Brent Crude	83.56	83.19

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9370%	15.9036%	-
182 Days	16.5176%	16.5014%	-
364 Days	16.5295%	16.5067%	-
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: Oil prices gained on Friday, with global benchmark Brent set for its first weekly increase in three weeks on signs of improving global demand amid stronger economic indicators from key consumers China and the United States.

Asia-Pacific markets: Asian stocks inched lower on Friday as traders pondered the near-term U.S. monetary policy path after Federal Reserve officials suggested that interest rates may need to stay higher for longer even as inflation shows early signs of easing.

International Markets

USD: Most Asian currencies retreated on Friday as the dollar recovered a measure of recent losses after a string of Federal Reserve officials warned that bets on interest rate cuts may be premature.

GBP: GBP/USD trades with a mild positive bias around 1.2670 on Friday. Fed officials said it might take longer for inflation to reach their target, emphasizing the need to keep rates high for longer. BoE's Greene noted she wants more data on price pressures easing before it starts cutting its rate. The GBP/USD pair posts modest gains near 1.2670 during the early Asian session on Friday. Meanwhile, the USD Index (DXY) recovers some lost ground after retracing to multi-week lows near 104.00 in the previous session.

EUR: EUR/USD could retest the upper boundary aligned with the psychological level of 1.0900. The momentum indicator MACD suggests a bullish sentiment for the pair. The potential support appears at the nine-day EMA at 1.0818. EUR/USD continues to lose ground, trading around 1.0860 during the Asian hours on Friday.

INR: The Indian rupee was largely unchanged on Friday as dollar sales from state-run banks, likely on behalf of the Reserve Bank of India (RBI), curbed weakness in the currency even as its Asian peers slipped.

Source: Reuters.

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