

GLOBAL MARKETS NEWSLETTER

Wednesday May 29th, 2024

Local Markets:

The Kenya's shilling was unchanged early on Tuesday but was expected to weaken during the session due to increased demand for dollars from the energy and manufacturing sectors.

Today's expected USD/KES trading range is 132.00 – 134.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	132.00	134.00			
GBP/KES	168.10	171.20	GBP/USD	1.2795	1.2820
EUR/KES	143.10	145.60	EUR/USD	1.0890	1.0899
INR/KES		1.6260	AUD/USD	0.6685	0.6698
			USD/INR	82.95	82.90
			Commodities		
			Gold	2358.65	2,352.42
			Brent Crude	84.43	83.27

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9453%	15.9370%	-
182 Days	16.5638%	16.5176%	-
364 Days	16.6231%	16.5295%	-
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%	

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

Top News

Oil: Oil prices rose on Wednesday on expectations major producers will maintain production cuts at a meeting this Sunday at the same time fuel consumption should begin rising with the start of the peak summer demand season.

Asia-Pacific markets: Asia-Pacific markets traded mostly lower on Wednesday as investors assessed Australia's inflation numbers for April and awaited data from Japan.

International Markets

USD: Most Asian currencies weakened on Wednesday, with the Chinese yuan touching its weakest level in six months as persistent fears of high U.S. interest rates kept traders biased towards the dollar.

GBP: GBP/USD trades with a mild negative bias near 1.2760 on Wednesday. The US CB Consumer Confidence Index improved to 102.0 in May. The IMF raised the UK growth forecasts but anticipated two to three rate cuts from the BoE. The GBP/USD pair trades with mild losses around 1.2760 during the Asian session on Wednesday. The modest recovery of the US Dollar (USD) and US yields amid the diminishing expectations of a rate cut by the US Federal Reserve (Fed) in September weighs on the major pair.

EUR: EUR/USD consolidates within the ascending triangle, indicating a bullish bias. The upper boundary of the ascending triangle and the psychological level of 1.0900 appear to be key resistance levels. The pair could test the lower boundary of the ascending triangle, followed by the 21-day EMA at 1.0815.

EUR/USD extended losses to near 1.0850 during the Asian session on Wednesday. The pair faces challenges as the US Dollar (USD) gains ground amidst emerging risk aversion sentiment, possibly triggered by hawkish remarks from Minneapolis Fed President Neel Kashkari

INR: The rupee depreciated 9 paise to 83.27 against the US dollar on Wednesday, tracking a negative trend in domestic equities and elevated crude oil prices.

Source: Reuters.