

GLOBAL MARKETS NEWSLETTER

Friday May 31st, 2024

Local Markets:

The Kenya's shilling strengthened on Thursday, lifted by dollar inflows from tea exporters.

Today's expected USD/KES trading range is 129.50 – 131.50.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.50	131.50			
GBP/KES	164.50	167.60	GBP/USD	1.2741	1.2750
EUR/KES	140.00	142.50	EUR/USD	1.0842	1.0840
INR/KES		1.5880	AUD/USD	0.6653	0.6645
			USD/INR	83.05	83.20
			Commodities		
			Gold	2342.70	2,332.64
			Brent Crude	81.77	83.48

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9545%	15.9453%	-
182 Days	16.6076%	16.5638%	-
364 Days	16.7061%	16.6231%	-
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%	

Top News

Oil: Oil prices fell early on Friday as investors responded to comments from U.S. Fed officials who said it was too soon to start considering rate cuts and following a surprise build in U.S. gasoline stocks that weighed on the market.

Asia-Pacific markets: Asia-Pacific markets rose on Friday as investors parsed data from major economies across the region. Japan's industrial output figures showed a surprise 0.1% fall in April from the previous month, against a Reuters poll forecast for a 0.9% rise.

International Markets

USD: Most Asian currencies drifted lower on Friday, with the Chinese yuan moving back towards six-month lows after disappointing business activity readings, while the dollar steadied in anticipation of key inflation data.

GBP: GBP/USD trades with a mild positive bias around 1.2730 on the softer USD on Friday. The US economy grew at an annualized pace of 1.3% in Q1 versus 1.6% prior. Markets pared bets on the BoE June rate cuts as the UK April CPI eased at a slower pace than estimates. The GBP/USD pair edges higher near 1.2730 during the early Asian session on Friday. The USD Index (DXY) faces some selling pressure, and this provides some support to the major pair.

EUR: EUR/USD drifts lower near 1.0820 in Friday's early European session. The bullish outlook of the pair remains intact above the 100-day EMA on the daily timeframe. The immediate resistance level will emerge at 1.0875; the first downside target is seen in the 1.0800-1.0805 zone. The EUR/USD pair weakens to 1.0820 during the early European trading hours on Friday. Investors prefer to wait on the sidelines ahead of the German Retail Sales and the US Core Personal Consumption Expenditures Price Index (Core PCE) data, which are due later on Friday.

INR: The Indian rupee strengthened 0.04% versus the U.S. dollar and quoted at 83.29 per dollar on pullback in U.S. yields.

Source: Reuters.

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