

GLOBAL MARKETS NEWSLETTER

Friday 3rd May 2024

Local Markets:

The Kenya's shilling was steady on Thursday and was expected to weaken in coming days due to increased demand for dollars from the manufacturing sector.

Today's expected USD/KES trading range is 133.00 – 137.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	133.00	137.00			
GBP/KES	166.50	172.00	GBP/USD	1.2584	1.2566
EUR/KES	142.50	147.20	EUR/USD	1.0766	1.0749
INR/KES		1.6530	AUD/USD	0.6597	0.6567
			USD/INR	83.1560	83.2645
			Commodities		
			Gold	2307.28	2,315.70
			Brent Crude	83.92	83.95

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	5.7%	5.0%	30 th 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%	

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Top News

Oil: Oil prices edged up in early trade on Friday on the prospect of OPEC+ continuing output cuts, but the crude benchmarks were headed for weekly losses on U.S. economic uncertainty and limited crude supply disruptions caused by the Israel-Hamas war.

Asia-Pacific markets: Hong Kong and Taiwan stocks led gains in Asia on Friday as Wall Street rose overnight, ahead of key U.S. employment data.

International Markets

USD: Most Asian currencies rose slightly on Friday, capitalizing on a drop in the dollar as markets hunkered down before key U.S. payrolls data that is likely to factor into interest rates.

GBP: GBP/USD holds positive ground near 1.2540 on the weaker USD on Friday. The Fed held interest rates steady on Wednesday. The BoE is expected to leave rates unchanged for the sixth time in a row at its meeting next week. The GBP/USD pair trades on a stronger note around 1.2540 amid the softer US Dollar (USD) on Friday during the early Asian session. The US Federal Reserve Chair Jerome Powell delivered a modest dovish message after the meeting on Wednesday, which weighs on the Greenback.

EUR: EUR/USD advances due to positive market sentiment ahead of US Nonfarm Payrolls on Friday. The weekly US Initial Jobless Claims remained at the lowest level in two months, prompting the Fed to delay rate cuts. ECB Chief Economist Philip Lane emphasized that the central bank would continue to adopt a data-dependent approach. EUR/USD extends its winning streak for the third successful day on Friday, trading around 1.0730 during the Asian session on Friday. The risk-sensitive currencies like the Euro gain ground as risk appetite regains balance ahead of US Nonfarm Payrolls.

INR: The Indian rupee rose on Friday aided by broad-based offers to sell dollars by local and foreign banks and a dip in U.S. bond yields.

Source: Reuters.

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