

# GLOBAL MARKETS NEWSLETTER

Wednesday June 12<sup>th</sup>, 2024

## Local Markets:

The Kenya's shilling was unchanged on Tuesday, with dollar inflows from tea, coffee and horticulture exports expected to strengthen it in the coming days.

Today's expected USD/KES trading range is 128.00 – 130.00.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.00	130.00			
GBP/KES	163.00	165.60	GBP/USD	1.2762	1.2760
EUR/KES	137.50	139.70	EUR/USD	1.0761	1.0792
INR/KES		1.5650	AUD/USD	0.6638	0.6617
			USD/INR	83.35	83.29
			Commodities		
			Gold	2313.07	2,303.07
			Brent Crude	82.31	81.57

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9654%	15.9545%	-
182 Days	16.6405%	16.6076%	-
364 Days	16.7311%	16.7061%	-
KES INFLATION	5.1%	5.0%	30 <sup>th</sup> June 24
KES CBR	13.00%	13.00%	
FED RATE	5.50%	5.50%	
ECB RATE	3.75%	4.00%	
BOE RATE	5.25%	5.25%	

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## Top News

**Oil:** Oil prices ticked higher on Wednesday on upbeat global demand views from the U.S. Energy Information Administration and OPEC.

**Asia-Pacific markets:** Asia-Pacific markets were mixed on Wednesday as investors assessed inflation data from around Asia.

## International Markets

**USD:** The dollar hit a four-week high on Tuesday, ahead of a highly anticipated inflation report that is likely to influence the timing of the first rate cut by the U.S. Federal Reserve, while the euro was pressured by political uncertainty in the European Union.

**GBP:** GBP/USD may gain ground as technical analysis suggests a bullish bias for the pair. The momentum indicator MACD suggests confirmation of a bullish trend for the pair. The pair may find immediate support at the 21-day EMA at 1.2712, followed by the lower boundary of the ascending channel at 1.2700.

**EUR:** EUR/USD struggles to lure buyers and is undermined by a combination of factors. Reduced Fed rate cut bets continue to lend support to the USD and cap the upside. Political uncertainty in Europe weighs on the Euro ahead of the US CPI and Fed.

**INR:** Indian Rupee edges higher on Wednesday amid the firmer US Dollar. The potential FX intervention from the RBI might protect INR from further weakness. The Indian Consumer Price Index (CPI) for May is due on Wednesday ahead of the US key events.

Source: Reuters.

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