

GLOBAL MARKETS NEWSLETTER

Thursday June 27th, 2024

Local Markets:

The Kenyan shilling was flat on Wednesday, as traders waited to see how protests against tax hikes unfolded.

Today's expected USD/KES trading range is 127.50 – 130.50

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.50	130.50			
GBP/KES	161.08	165.50	GBP/USD	1.2667	1.2709
EUR/KES	136.30	140.10	EUR/USD	1.0720	1.0721
INR/KES		1.5685	AUD/USD	0.6666	0.6681
			USD/INR	83.10	83.70
			Commodities		
			Gold	2298.79	2315.46
			Brent Crude	85.08	85.43

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9716%	15.9719%	-
182 Days	16.7379%	16.6997%	-
364 Days	16.7545%	16.7538%	-
KES INFLATION	5.1%	5.0%	30 th 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%	
RBI RATE	6.50%	6.50%	

Top News

Oil: Oil prices slid in early Asian trade on Thursday as a surprise build in U.S. stockpiles fueled fears about slow demand from the top oil consumer, though worries a potential expansion of the Gaza war may disrupt Middle East supplies capped declines.

Asia-Pacific markets: Asia-Pacific markets opened lower on Thursday, as the Japanese yen weakened to a near 38-year low late Wednesday, hitting 160.82 against the U.S. dollar.

International Markets

USD: Wednesday's session witnessed the US Dollar climb to a level last observed in early May. The economic landscape in the US continues to portray resilience. A few signals of disinflation are noticeable, but it still holds on which makes the Federal Reserve (Fed) not fully embrace the easing cycle.

GBP: The GBP/USD pair attracts some buyers near the 1.2615-1.2610 area, its lowest level since mid-May, touched during the Asian session on Thursday and reverses a part of the previous day's steep decline. Traders now look to the key US macro data before positioning for the next leg of directional bets.

EUR: The EUR/USD backslid into the 1.0680 region on Wednesday after the German GfK Consumer Confidence Survey for July ticked lower unexpectedly, and a lack of meaningful data during the American trading session left investors to chew on a cautious Federal Reserve (Fed) stance this week that saw rate cut bets shift lower.

INR: The Indian Rupee (INR) recovers its recent losses on Thursday due to receiving support from the expectations of foreign inflows. Indian bonds are set to enter the JP Morgan Emerging Market (EM) Bond Index on June 28.

Source: Reuters.

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