

GLOBAL MARKETS NEWSLETTER

Tuesday June 4th, 2024

Local Markets:

The Kenya shilling was stable on Monday.

Today's expected USD/KES trading range is 129.50 – 132.00.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.50	132.00			
GBP/KES	165.10	168.80	GBP/USD	1.2835	1.2761
EUR/KES	141.00	143.80	EUR/USD	1.0932	1.0875
INR/KES		1.5985	AUD/USD	0.6699	0.6668
			USD/INR	82.90	82.85
			Commodities		
			Gold	2348.08	2,322.70
			Brent Crude	74.22	81.05

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	5.1%	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 eased in early trade on Tuesday, extending their losses from the previous session when prices fell to their lowest in four months, as investors worried about supply ticking up later in the year

Asia-Pacific markets: India stocks slumped to lead Asia markets lower Tuesday, as the country started counting votes for its 2024 general election.

International Markets

USD: Most Asian currencies kept to a tight range on Tuesday, while the dollar hovered near two-month lows as weak economic readings fed expectations of eventual interest rate cuts by the Federal Reserve.

GBP: GBP/USD struggles to capitalize on the move to a nearly three-month high set this Tuesday. Fed rate cut bets keep the USD bulls on the defensive and lend some support to the major. The technical setup validates the positive outlook and supports prospects for further gains. The GBP/USD pair climbs to its highest level since March 14 during the Asian session on Tuesday, albeit struggles to capitalize on the move and is currently placed just above the 1.2800 mark.

EUR: EUR/USD advances to its highest level since March in the wake of a modest USD downtick. Monday's disappointing US ISM PMI reaffirms Fed rate cut bets and undermines the buck. Bulls, however, prefer to wait for the ECB meeting on Thursday before placing fresh bets. The EUR/USD pair attracts some buyers for the fourth straight day and climbs beyond the 1.0900 mark – its highest level since March 21 during the Asian session on Tuesday.

INR: Indian Rupee trades with mild negative bias on Tuesday. The uncertainty about India's general election results and key US data weighs on the INR. India's HSBC Services PMI and US ISM Services PMI for May will be released on Wednesday. Indian Rupee (INR) trades with mild losses on Tuesday despite the softer US Dollar (USD). The INR trims gains as investors await more clarity about India's official general election outcome.

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