

GLOBAL MARKETS NEWSLETTER

Thursday July 18th, 2024

Local Markets:

Kenya's shilling was stable on Wednesday as foreign exchange inflows from tea exports matched dollar demand.

Today's expected USD/KES trading range is 129.75 – 132.45

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.75	132.45			
GBP/KES	168.74	172.10	GBP/USD	1.3035	1.2997
EUR/KES	141.86	144.90	EUR/USD	1.0963	1.0934
INR/KES		1.5905	AUD/USD	0.6762	0.6778
			USD/INR	83.27	83.86
			Commodities		
			Gold	2469.10	2467.27
			Brent Crude	85.52	83.65

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9954%	15.9868%	-
182 Days	16.8221%	16.7951%	-
364 Days	16.8795%	16.8299%	-
KES INFLATION	4.60%	5.1%	31st July 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 ticked higher on Thursday, buoyed by a bigger-than-expected weekly decline in U.S. crude stocks. On the demand side, the prospects of cuts in interest rates in coming months in the United States and Europe helped to support the market. Lower interest rates often spark buying and boost oil demand.

Asia-Pacific markets: Asia-Pacific markets plummeted as chip-related stocks dropped following reports of more stringent export restrictions from the U.S. and as comments from former U.S. President Donald Trump raised geopolitical tensions.

International Markets

USD: On Thursday, the US Dollar measured by the DXY index saw an extension in its decline, despite the strong housing data reported during the European session. Factors such as dovish bets on the Federal Reserve and lower US Treasury Yields are responsible for putting downward pressure on the USD.

GBP: The GBP/USD pair trades with a mild negative bias during the Asian session on Thursday, albeit lacks follow-through selling and remains well within the striking distance of the one-year peak touched the previous day.

EUR: The EUR/USD pair trades on a weaker note around 1.0935, snapping a two-day winning streak during the early European session on Thursday. The Greenback edges higher as traders turn cautious ahead of the European Central Bank's (ECB) monetary policy meeting later in the day.

INR: The Indian Rupee (INR) attracts some sellers on Thursday despite the weaker US Dollar (USD). The extended recovery in crude oil prices exerts some pressure on the INR as India is the world's third-largest oil consumer.

Source: Reuters.

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