

GLOBAL MARKETS NEWSLETTER

Tuesday July 23rd, 2024

Local Markets:

Kenya's shilling edged down on Monday due to increased demand for dollars from the manufacturing sector and general goods importers.

Today's expected USD/KES trading range is 131.25 – 134.45

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	131.25	134.45			
GBP/KES	169.64	173.60	GBP/USD	1.2955	1.2943
EUR/KES	142.88	146.40	EUR/USD	1.0916	1.0913
INR/KES		1.6143	AUD/USD	0.6653	0.6685
			USD/INR	83.30	83.25
			Commodities		
			Gold	2392.23	2405.70
			Brent Crude	82.33	83.05

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	16.0215%	15.9954%	-
182 Days	16.8521%	16.8221%	-
364 Days	16.8971%	16.8795%	-
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 fell for a second consecutive session on Monday to hit their lowest in over a month, as investors focused on rising stockpiles and signs of weak demand.

Asia-Pacific markets: Asia-Pacific markets traded mixed overnight after Wall Street looked past political uncertainty to log gains on Monday. S&P 500 futures were near flat Monday night, with traders readying for earnings reports from major companies after the benchmark posted its best day in more than a month.

International Markets

USD: The U.S. dollar was slightly higher on Monday, capturing some safe-haven flows, as investors digested U.S. President Joe Biden's decision to end his re-election campaign, which is expected to intensify volatility in the currency market.

GBP: The GBP/USD pair struggles to capitalize on the previous day's modest bounce from the 1.2900 neighborhood and oscillates in a narrow trading band during the Asian session on Tuesday. Spot prices currently hover around the 1.2930 area, nearly unchanged for the day, and remain at the mercy of the US Dollar (USD) price dynamics.

EUR: EUR/USD advances for the second consecutive day, trading around 1.0900 during Tuesday's Asian session. The analysis of the daily chart shows a weakening of a bullish trend, as the pair is positioned below an ascending channel.

INR: The Indian Rupee (INR) recovers some lost ground on Tuesday after falling to an all-time low in the previous session. A weak Chinese Yuan, and sustained US Dollar (USD) demand from local corporates and oil companies might continue to undermine the INR. Nonetheless, the downside of the Indian Rupee might be limited as the Reserve Bank of India (RBI) is likely to intervene to support the local currency against depreciation.

Source: Reuters.

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