

# GLOBAL MARKETS NEWSLETTER

Friday July 26<sup>th</sup>, 2024

## **Local Markets:**

Kenya's shilling was stable on Thursday and is expected to hold on steady with dollar sales from the central bank helping cushion any demand for dollars, especially from offshore investors.

Today's expected USD/KES trading range is 129.70 – 133.95

## **Indicative FX rates as at 8.30am:**

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	129.70	133.95			
<b>GBP/KES</b>	166.76	172.30	<b>GBP/USD</b>	1.2880	1.2917
<b>EUR/KES</b>	140.75	145.60	<b>EUR/USD</b>	1.0874	1.0867
<b>INR/KES</b>		1.6064	<b>AUD/USD</b>	0.6576	0.6568
			<b>USD/INR</b>	83.38	83.29
			<b>Commodities</b>		
			<b>Gold</b>	2369.60	2372.70
			<b>Brent Crude</b>	82.41	81.07

## **Benchmark Rates:**

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	16.0000%	16.0215%	-
<b>182 Days</b>	16.8506%	16.8521%	-
<b>364 Days</b>	16.9212%	16.8971%	-
<b>KES INFLATION</b>	4.60%	5.1%	31st July 24
<b>KES CBR</b>	13.00%	13.00%	
<b>FED RATE</b>	5.50%	5.50%	
<b>ECB RATE</b>	3.75%	4.00%	
<b>BOE RATE</b>	5.25%	5.25%	
<b>RBI RATE</b>	6.50%	6.50%	

## **Top News**

**Oil:** Oil prices were up slightly on Friday on stronger-than-expected U.S. economic data that raised investor expectations for increasing crude oil demand from the world's largest energy consumer.

**Asia-Pacific markets:** Asia-Pacific markets mostly rebounded Friday, after Thursday's sell-off saw some indexes in the region hit their lowest level in months.

## **International Markets**

**USD:** The dollar index, which measures the U.S. unit versus six rivals, and dollar index futures both steadied on Friday after seeing some resilience on stronger-than-expected gross domestic product data for the second quarter.

**GBP:** The GBP/USD pair gains traction near 1.2860 amid the weaker Greenback, snapping the three-day losing streak during the Asian trading hours on Friday. However, the potential upside of the major pair seems limited as market players expect the Bank of England (BoE) to cut interest rates in August.

**EUR:** EUR/USD trades around 1.0860 during the Asian session on Friday, extending its gains after rebounding from a two-week low of 1.0825 recorded on Wednesday. This upside of the EUR/USD pair is attributed to the weakening of the USD ahead of the release of the US Personal Consumption Expenditures (PCE) Price Index for June.

**INR:** The Indian Rupee (INR) posts modest gains on Friday on the weaker Greenback. The month-end US Dollar (USD) demand and India's foreign outflows drag the INR lower to an all-time low on Thursday. Foreign fund outflows from Indian equities following the government's decision to raise capital gains tax from equity investments and equity derivative trades might weigh on the local currency in the near term.

Source: Reuters.

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