

# GLOBAL MARKETS NEWSLETTER

Monday July 29<sup>th</sup>, 2024

## Local Markets:

Kenya's shilling gained ground on Friday helped by dollar inflows from tea exporters and the sale of dollars by the central bank during the week.

Today's expected USD/KES trading range is 128.25 / 132.50

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	128.25	132.50			
<b>GBP/KES</b>	165.06	170.60	<b>GBP/USD</b>	1.2899	1.2880
<b>EUR/KES</b>	139.23	144.10	<b>EUR/USD</b>	1.0886	1.0874
<b>INR/KES</b>		1.5830	<b>AUD/USD</b>	0.6576	0.6576
			<b>USD/INR</b>	83.70	83.38
			<b>Commodities</b>		
			<b>Gold</b>	2394.50	2369.60
			<b>Brent Crude</b>	81.64	82.41

## 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 rose on Monday, paring last week's loss, on fears of a widening conflict in the Middle East following a rocket strike in the Israeli-occupied Golan Heights, which Israel and the United States blamed on Lebanese armed group Hezbollah.

**Asia-Pacific markets:** Asia-Pacific markets climbed on Monday, with Japan's Nikkei 225 leading gains in the region after a key U.S. inflation report late last Friday raised hopes for an interest rate cut.

## International Markets

**USD:** The dollar index and dollar index futures fell 0.1% each in Asian trade, extending losses after PCE price index data- the Fed's preferred inflation gauge- showed some easing in inflation on Friday. The reading ramped up bets that the Fed was close to gaining enough confidence to begin cutting rates by September.

**GBP:** The GBP/USD pair holds positive ground around 1.2885 during the Asian trading hours on Monday. The uptick of the pair is bolstered by the softer US Dollar (USD) amid the hope of an interest rate cut by the Federal Reserve (Fed) in September. The Fed and Bank of England (BoE) monetary policy meetings on Wednesday and Thursday will be closely watched events.

**EUR:** EUR/USD advances for the third consecutive day, trading around 1.0860 during the Asian session on Monday. The analysis of the daily chart shows that the pair is positioned within a descending channel, suggesting a bearish bias.

**INR:** The Indian Rupee (INR) gains traction on Monday amid the softer US Dollar (USD). The upside for INR is likely to be limited after reaching an all-time low last week, pressured by continuous USD demand from oil importers and India's outflows from local equities.

Source: Reuters.

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