

# GLOBAL MARKETS NEWSLETTER

Tuesday July 2<sup>nd</sup>, 2024

## Local Markets:

The Kenyan shilling held steady against the dollar on Monday but was under pressure as importers and manufacturers sought hard currency.

Today's expected USD/KES trading range is 127.50 – 130.50

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	127.50	130.50			
<b>GBP/KES</b>	161.00	165.50	<b>GBP/USD</b>	1.2682	1.2680
<b>EUR/KES</b>	136.80	140.70	<b>EUR/USD</b>	1.0782	1.0778
<b>INR/KES</b>		1.5702	<b>AUD/USD</b>	0.6760	0.6691
			<b>USD/INR</b>	83.20	83.25
			<b>Commodities</b>		
			<b>Gold</b>	2328.62	2322.70
			<b>Brent Crude</b>	86.84	85.35

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	15.9771%	15.9716%	-
<b>182 Days</b>	16.7636%	16.7379%	-
<b>364 Days</b>	16.7911%	16.7545%	-
<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 little changed on Tuesday, holding near the two-month highs reached in the previous session, on expectations for rising fuel demand from the summer travel season and possible U.S. interest rate cuts that could boost economic growth.

**Asia-Pacific markets:** Asia-Pacific markets mostly fell on Tuesday, despite gains on Wall Street that saw the Nasdaq Composite reach a new record on the strength of tech stocks.

## International Markets

**USD:** On Tuesday, the dollar stood strong supported by rising U.S. yields which rose nearly 14 basis points overnight, with analysts attributing the move to expectations of Donald Trump winning the U.S. presidency and raising tariffs and government borrowing.

**GBP:** The GBP/USD pair extends its sideways consolidative price move during the Asian session on Tuesday and remains confined in a familiar range held over the past two weeks or so.

**EUR:** EUR/USD halts its three-day winning streak, trading around 1.0730 during the Asian hours on Monday. A technical analysis of the daily chart indicates a bearish bias, with the pair consolidating within a descending channel.

**INR:** The Indian Rupee (INR) weakens on Tuesday amid the renewed US Dollar (USD) demand and higher US bond yields. Meanwhile, the further rise of crude oil prices amid fears of Middle East geopolitical risks exerts some selling pressure on the INR as India is the world's third-largest oil consumer after the United States (US) and China.

Source: Reuters.

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

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