

GLOBAL MARKETS NEWSLETTER

Wednesday July 3rd, 2024

Local Markets:

The Kenyan shilling was steady on Tuesday, with ample hard-currency supply preventing a sell-off over anti-government protests that prompted the president to abandon planned tax hikes last week.

Today's expected USD/KES trading range is 127.50 – 129.50

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.50	129.50			
GBP/KES	161.40	165.00	GBP/USD	1.2741	1.2682
EUR/KES	136.80	139.70	EUR/USD	1.0787	1.0782
INR/KES		1.5594	AUD/USD	0.6692	0.6760
			USD/INR	83.30	83.20
			Commodities		
			Gold	2335.23	2328.62
			Brent Crude	86.70	86.84

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	15.9771%	15.9716%	-
182 Days	16.7636%	16.7379%	-
364 Days	16.7911%	16.7545%	-
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 edged higher in early Asian trade on Wednesday after industry data showed a bigger-than-expected draw in U.S. crude stockpiles, boosting hopes of solid fuel demand during the summer driving season in the top oil consuming nation.

Asia-Pacific markets: Asia-Pacific markets mostly rose overnight, after U.S. Federal Reserve Chair Jerome Powell noted there was progress on reining in inflation, while investors also assessed a slew of data from the region.

International Markets

USD: The dollar slipped on Tuesday in thin, choppy trading after Federal Reserve Chair Jerome Powell struck a moderately dovish tone in his comments, suggesting that the U.S. central bank is more than likely to start its easing cycle later this year.

GBP: The GBP/USD pair struggles to build on the overnight goodish rebound from the 1.2615 area, or a multi-day low and oscillates in a narrow band during the Asian session on Wednesday. Spot prices remain confined in a familiar range held over the past two weeks or so and currently trade just below the 1.2700 round-figure mark.

EUR: The EUR/USD pair consolidates gains around 1.0745 during the early European session on Wednesday. Data released on Tuesday showed that the annual inflation rate in the Eurozone cooled down in June, in line with the market consensus.

INR: The Indian Rupee (INR) flat lines on Wednesday amid the weaker US Dollar (USD). Foreign portfolio inflows into the equity markets have returned following the post-election outflows, which might boost the Indian Rupee.

Source: Reuters.

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