

# GLOBAL MARKETS NEWSLETTER

Friday October 18<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling was unmoved against the dollar on Wednesday, remaining in the same range for a couple of months now.

Today's expected USD/KES trading range is 127.05/130.05

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.05	130.05			
GBP/KES	165.80	169.80	GBP/USD	1.3080	1.3016
EUR/KES	137.70	141.20	EUR/USD	1.0870	1.0882
INR/KES		1.5531	USD/INR	83.74	83.69
			AUD/USD	0.6730	0.6711
			Commodities		
			Gold	2710.14	2681.74
			Brent Crude	74.79	74.41

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	14.7657%	14.9900%	-
182 Days	15.6364%	16.0950%	-
364 Days	15.9115%	16.3383%	-
KES INFLATION	3.600%	4.40%	31 <sup>st</sup> Oct. 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:** Crude oil futures inched higher on Friday, supported by a surprise drop in U.S. oil inventories and simmering Middle East tensions, but prices were headed for their biggest weekly loss in more than a month on worries of lower demand.

**Asia-Pacific markets:** Markets in mainland China and Hong Kong rebounded Friday after the world's second-largest economy posted better-than-expected economic growth. Overall, Asia-Pacific markets were mixed.

## International Markets

**USD:** The dollar was headed for its third weekly gain in a row on Friday, helped by a dovish European Central Bank and strong U.S. data that is pushing out expectations for how fast U.S. rates can fall, particularly if Donald Trump wins the presidency.

**GBP:** The GBP/USD pair attracts some follow-through buying during the Asian session on Friday and looks to build on the overnight bounce from the 1.2975-1.2970 region, or a two-month low. Spot prices currently trade around the 1.3020-1.3025 area, up 0.10% for the day amid a modest US Dollar (USD) downtick, though any meaningful appreciating move still seems elusive.

**EUR:** The EUR/USD pair breaks its four-day losing streak, trading around 1.0840 during the Asian session on Friday. However, the US Dollar (USD) received support and reached a two-month high of 103.87 on Thursday, supported by a solid US Retail Sales report, which fueled expectations that the Federal Reserve (Fed) may implement nominal rate cuts.

**INR:** The Indian Rupee (INR) recovers on Friday on the modest decline of the US Dollar (USD). The upside of the local currency might be limited amid foreign fund outflows, a negative trend in domestic equities and the recent spike in crude oil prices. Additionally, the rising expectations the Federal Reserve (Fed) would cut rates less aggressively might strengthen the Greenback and weigh on the INR.

Source: Reuters.

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