

GLOBAL MARKETS NEWSLETTER

Monday October 28th, 2024

Local Markets:

The Kenyan shilling was unmoved against the dollar on Friday. It is expected that the local currency will remain in the same range through the end of the month.

Today's expected USD/KES trading range is 127.00/130.00

Indicaopensrates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	127.00	130.00			
GBP/KES	164.50	168.50	GBP/USD	1.2983	1.2998
EUR/KES	137.05	140.60	EUR/USD	1.0821	1.0852
INR/KES		1.5523	USD/INR	83.75	83.75
			AUD/USD	0.6614	0.6646
			Commodities		
			Gold	2740.58	2728.49
			Brent Crude	72.61	74.60

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	14.4321%	14.7657%	-
182 Days	15.1467%	15.6364%	-
364 Days	15.4691%	15.9115%	-
KES INFLATION	3.600%	4.40%	31 st 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: Oil prices tumbled more than \$3 a barrel on Monday after Israel's retaliatory strike on Iran over the weekend bypassed Tehran's oil and nuclear facilities and did not disrupt energy supplies, easing geopolitical tensions in the Middle East.

Asia-Pacific markets: Japan's benchmark Nikkei 225 and its Topix index climbed on Monday, supported by a weak yen amid political uncertainty as the ruling LDP lost its parliamentary majority.

International Markets

USD: The US economy remains robust with GDP Now tracking third-quarter growth at 3.4%. The strong economic outlook might push the Federal Reserve (Fed) to adopt a more cautious stance. Investors, meanwhile, are confident of two cuts by the end of 2024.

GBP: The GBP/USD pair extends the decline to around 1.2945 during the early European session on Monday. A bullish US Dollar (USD) on the back of bets for a less aggressive easing by the Federal Reserve (Fed) drags the pair lower. In the absence of top-tier economic data released from the UK and the US, the USD price dynamics will continue to play a key role in influencing the pair.

EUR: EUR/USD inches lower for the second successive day, trading around 1.0780 during the Asian session on Monday. A review of the daily chart shows that the pair tests the upper boundary to return to the descending channel pattern, which could reinforce a bearish bias for the pair.

INR: The Indian Rupee (INR) trades firmer on Monday despite the stronger US Dollar (USD). The fall in crude oil prices provides some support to the local currency as India is the world's third-largest oil consumer. However, the upside of the INR might be limited amid sustained foreign outflows from domestic stocks and the expectation of a slower pace of the US Federal Reserve (Fed) rate cuts.

Source: Reuters.

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