

# GLOBAL MARKETS NEWSLETTER

Tuesday November 12<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling was steady against the dollar on Monday as inflows from the agricultural and tourism sectors matched demand from general goods importers and oil marketing companies.

Today's expected USD/KES trading range is 128.25/129.75

## Indicaopensrates as at 8.30am:

| Currency | Buying | Selling | Currency    | Today   | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES  | 128.25 | 129.75  |             |         |          |
| GBP/KES  | 164.50 | 166.90  | GBP/USD     | 1.2857  | 1.2946   |
| EUR/KES  | 136.40 | 138.50  | EUR/USD     | 1.0664  | 1.0748   |
| INR/KES  |        | 1.5433  | USD/INR     | 84.07   | 84.05    |
|          |        |         | AUD/USD     | 0.6570  | 0.6612   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 2606.50 | 2669.62  |
|          |        |         | Brent Crude | 71.64   | 71.58    |

## Benchmark Rates:

| Tenor         | Current  | Previous | Next meeting             |
|---------------|----------|----------|--------------------------|
| 91 Days       | 13.4496% | 13.9656% | -                        |
| 182 Days      | 13.8400% | 14.5233% | -                        |
| 364 Days      | 14.4476% | 14.9684% | -                        |
| KES INFLATION | 2.700%   | 3.600%   | 30 <sup>th</sup> Nov. 24 |
| KES CBR       | 12.00%   | 13.00%   |                          |
| FED RATE      | 4.50%    | 4.75%    |                          |
| ECB RATE      | 3.25%    | 4.00%    |                          |
| BOE RATE      | 4.75%    | 5.00%    |                          |
| RBI RATE      | 6.50%    | 6.50%    |                          |

## Top News

**Oil:** Oil prices fell by more than 2% on early Tuesday session after China's latest stimulus plan disappointed investors seeking demand growth in the world's second-biggest oil consumer, while supply looked set to rise in 2025.

**Asia-Pacific markets:** Asia-Pacific markets fell after China's latest stimulus measures underwhelmed and its October inflation numbers came in lower than expected, prompting concerns over the recovery in the world's second-largest economy.

## International Markets

**USD:** The U.S. dollar index — a measure of its value relative to a basket of foreign currencies -- slightly overshot the highs seen right after the U.S. presidential election with markets still waiting for clarity about future U.S. policy.

**GBP:** The GBP/USD pair extends its downside to near 1.2840 on Tuesday during the early European session. The Greenback remains firm as Trump trades continue to rally. Investors will closely monitor the UK employment data, which is due later on Tuesday.

**EUR:** The EUR/USD pair continues its decline for a third consecutive session, trading around 1.0640 during Asian hours on Tuesday. Fiscal policies anticipated under US President-Elect Donald Trump may negatively impact the European economy, adding pressure on the Euro.

**INR:** The Indian Rupee (INR) remains weak near an all-time low on Tuesday. The downward pressure for the local currency is pressured by persistent foreign fund outflows and a muted trend in domestic equities. Additionally, the renewed US Dollar (USD) demand from oil companies and foreign banks contributes to the INR's downside.

Source: Reuters.

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

**DISCLAIMER:** Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.