

GLOBAL MARKETS NEWSLETTER

Monday 12th February 2024

Local Markets:

The Kenyan shilling gained ground on Friday, helped by foreign investor inflows into an infrastructure bond and comments from the Central Bank that the currency had overshot its equilibrium rate.

Today's expected USD/KES trading range is 158.50 – 162.50.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	158.50	162.50			
GBP/KES	199.83	204.80	GBP/USD	1.2645	1.2616
EUR/KES	170.59	175.10	EUR/USD	1.0840	1.0770
INR/KES		1.9756	AUD/USD	0.6541	0.6497
			USD/INR	82.900	83.0090
			Commodities		
			Gold	2,023.92	2,047.85
			Brent Crude	81.93	81.47

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	16.5038%	16.3747%	-
182 Days	16.6331%	16.5058%	-
364 Days	16.8574%	16.6801%	-
KES INFLATION	6.90%	6.60%	30 th Mar, 24
KES CBR	13.00%	12.50%	19 th Mar, 24
FED RATE	5.50%	5.50%	
ECB RATE	4.50%	4.50%	25 th Jan, 24
BOE RATE	5.25%	5.25%	07 th Mar, 24
RBI RATE	6.50%	6.50%	

Top News

Oil. Oil prices fell in early Asian trade on Monday after Israel said it had "concluded" a series of strikes in southern Gaza, slightly easing concerns about supply from the Middle East.

Asia-Pacific markets: Asia markets were mixed Monday to start a holiday-shortened week for most markets, while China remains shut for the week. Many major stock markets in Asia-Pacific were closed Monday including Hong Kong, Taiwan and South Korea.

International Markets

USD: Most Asian currencies moved in a tight range on Monday as market holiday across most of the region kept trading volumes limited, while the dollar fell slightly before key inflation data due this week.

GBP: GBP/USD oscillates in a trading band between 1.2600 and 1.2645 on Monday. The major pair keeps the bearish outlook below the key EMA; RSI indicator shows non-directional action. The first upside barrier will emerge at 1.2645; the initial support level is located at the 1.2600–1.2610 zone. The GBP/USD pair consolidates within a narrow trading range of 1.2600–1.2645 during the early European trading hours on Monday.

EUR: EUR/USD could test the psychological resistance level of 1.0800. Technical analysis suggests a potential shift towards upside momentum. The pair could find the support region around the major level of 1.0750 and the previous week's low at 1.0722. EUR/USD extends its winning streak for the fifth consecutive session on Monday, moving upward near the 1.0790 level during the Asian session.

INR: INR trades flat with mild positive bias on Friday despite renewed USD demand and higher US bond yields. INR's uptick is supported by Dollar sales from local private banks but pared gains after a dip in buying. During the press conference, India's MPC acknowledged progress on inflation as CPI has started easing.

Source: Reuters.

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

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