



GLOBAL MARKETS NEWSLETTER

Thursday December 19th, 2024

Local Markets:

The Kenyan shilling was stable on Wednesday with dollar inflows from remittances and non-governmental organizations matching importers demand.

Today's expected USD/KES trading range is 128.40/129.90

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.40	129.90			
GBP/KES	161.60	164.00	GBP/USD	1.2618	1.2732
EUR/KES	133.25	135.40	EUR/USD	1.0409	1.0532
INR/KES		1.5332	USD/INR	84.72	84.59
			AUD/USD	0.6242	0.6336
			Commodities		
			Gold	2609.70	2648.55
			Brent Crude	72.97	73.23

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	10.4564%	11.2500%	-
182 Days	10.5485%	11.3377%	-
364 Days	11.9673%	12.4903%	-
KES INFLATION	2.720%	3.600%	December 2024
KES CBR	11.25%	12.00%	
FED RATE	4.25%	4.50%	-
ECB RATE	3.00%	3.25%	
BOE RATE	4.75%	5.00%	19/12/2024
RBI RATE	6.50%	6.50%	

Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$69.50 on Thursday. The WTI price posts modest gains as US crude inventories fell and the US Federal Reserve (Fed) lowered its key interest rate by a quarter percentage point on Wednesday.

Asia-Pacific markets: Asia-Pacific stocks and currencies fell Thursday, amid a broader market sell-off after the U.S. Federal Reserve delivered its third consecutive rate reduction and signaled fewer rate cuts ahead.

International Markets

USD: The U.S. dollar advanced against its peers hitting its highest level in two years, after the Federal Reserve delivered a widely expected interest rate cut while also indicating it would slow the pace of its monetary policy easing cycle.

GBP: GBP/USD gains ground after declining more than 1% following the Federal Reserve's (Fed) hawkish cut on Wednesday, trading around 1.2590 during the Asian hours on Thursday. The Pound Sterling (GBP) gains upward support as the Bank of England (BoE) is anticipated to keep interest rates unchanged later in the day while remaining focused on addressing elevated domestic inflation.

EUR: The EUR/USD pair weakens to near 1.0370 during the Asian trading hours on Thursday. The hawkish rate cut by the US Federal Reserve (Fed) lifts the US Dollar (USD) and drags the major pair lower. Later on Thursday, the US weekly Initial Jobless Claims, Existing Home Sales, and final reading of Gross Domestic Product Annualized for the third quarter (Q3) will be released.

INR: The Indian Rupee (INR) falls to near a fresh record low on Thursday. The renewed US Dollar (USD) demand from importers, foreign banks, foreign fund outflows and a muted trend in domestic equities further undermine the local currency.

Source: Reuters.

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