



GLOBAL MARKETS NEWSLETTER

Friday December 27th, 2024

Local Markets:

The Kenyan shilling remained relatively stable against the U.S dollar on Tuesday with low trading volumes, according to data from the London Stock Exchange Group.

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 | 160.80 | 163.10 | GBP/USD | 1.2554 | 1.2567 |
| EUR/KES | 133.65 | 135.80 | EUR/USD | 1.0438 | 1.0425 |
| INR/KES | | 1.5342 | USD/INR | 84.67 | 84.66 |
| | | | AUD/USD | 0.6230 | 0.6261 |
| | | | Commodities | | |
| | | | Gold | 2632.80 | 2620.58 |
| | | | Brent Crude | 73.24 | 73.01 |

Benchmark Rates:

| Tenor | Current | Previous | Next meeting |
|----------------------|----------|----------|--------------|
| 91 Days | 9.8946% | 9.9546% | - |
| 182 Days | 10.0216% | 10.0216% | - |
| 364 Days | 11.4095% | 11.5372% | - |
| KES INFLATION | 2.720% | 3.600% | - |
| KES CBR | 11.25% | 12.00% | - |
| FED RATE | 4.25% | 4.50% | - |
| ECB RATE | 3.00% | 3.25% | - |
| BOE RATE | 4.75% | 5.00% | - |
| RBI RATE | 6.50% | 6.50% | - |

Top News

Oil: West Texas Intermediate (WTI) Oil price edges higher after registering losses in the previous session, trading around \$69.50 per barrel during the Asian hours on Friday. Crude Oil prices are being bolstered by reports that major European energy companies are focusing on Oil and gas rather than renewables for short-term profits, a trend expected to continue into 2025.

Asia-Pacific markets: Most Asian currencies edged lower on Friday with the South Korean won falling amid ongoing political unrest, while the Japanese yen rose on rate hike bets after an inflation reading from Tokyo.

International Markets

USD: The U.S. dollar has remained strong, driven by the Federal Reserve's hawkish stance on rates through 2025 and expectations of higher inflation and strong economic performance under the incoming Donald Trump administration.

GBP: GBP/USD remains subdued for the third successive day, trading around 1.2520 during the Asian hours on Friday. The downside can be attributed to thin trading activity following the Christmas holiday and a stronger US Dollar (USD), driven by growing expectations of fewer rate cuts by the US Federal Reserve (Fed).

EUR: The EUR/USD pair drifts lower to around 1.0415 during the Asian trading on Friday. Trading volumes are thin as many traders are on holiday before New Year. Later on Friday, the preliminary reading of the US Goods Trade Balance for November will be released.

INR: The Indian Rupee (INR) extends the decline to near an all-time low on Friday. The local currency remains under selling pressure due to sustained strong US Dollar (USD) demand from importers, foreign investors, and oil-related companies.

Source: Reuters.

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