

GLOBAL MARKETS NEWSLETTER

Tuesday January 28th, 2025

Local Markets:

The Kenyan shilling was unchanged against the U.S dollar on Monday, data from The London Stock Exchange Group showed.

Today's expected USD/KES trading range is 128.30/129.80

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.30	129.80			
GBP/KES	159.75	162.10	GBP/USD	1.2481	1.2478
EUR/KES	133.90	136.00	EUR/USD	1.0467	1.0494
INR/KES		1.5061	USD/INR	86.18	86.03
			AUD/USD	0.6281	0.6319
			Commodities		
			Gold	2741.90	2754.84
			Brent Crude	77.53	77.90

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.5252%	9.5647%	-
182 Days	10.0279%	10.0299%	-
364 Days	11.2945%	11.3044%	-
KES INFLATION	3.000%	2.720%	-
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: Oil prices ticked up but hovered near a two-week low on Tuesday after weak economic data from China and warming weather forecasts elsewhere soured the demand outlook.

Asia-Pacific markets: Asian currencies faced significant downward pressure on Tuesday, as the U.S. dollar rebounded sharply amid a global financial market shakeup linked to Chinese artificial intelligence startup DeepSeek.

International Markets

USD: The Dollar Index remains volatile ahead of the FOMC, ECB and the Tariffs speculations. At the moment index appears uncertain on whether it will head towards 109 and higher or it will test deeper support around 106.00-105.50.

GBP: The GBP/USD pair halts its three-day winning streak as the British Pound (GBP) faces headwinds due to growing market expectations of a near-certain rate cut by the Bank of England (BoE) to 4.5% at its upcoming meeting. During Tuesday's Asian session, the pair trades around 1.2440.

EUR: The EUR/USD pair extends the overnight modest pullback from the 1.0530-1.0535 region, or its highest level since December 17 and attracts heavy follow-through selling during the Asian session on Tuesday. Spot prices currently trade around the 1.0430 area, down over 0.50% for the day and seem vulnerable to weaken further amid a strong pickup in the US Dollar (USD) demand.

INR: The Indian Rupee (INR) drifts lower on Tuesday as a decline in the Chinese Yuan amid concerns over US President Donald Trump's trade tariffs put pressure on the Asian peers. Additionally, likely equity outflows and a muted trend in domestic equities contribute to the INR's downside. However, the downside of the Indian Rupee might be limited as the Reserve Bank of India (RBI) will likely intervene in the foreign exchange market to prevent the local currency from significantly depreciating.

Source: Reuters.

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