



# GLOBAL MARKETS NEWSLETTER

Tuesday January 7<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling was steady against the US dollar on Monday, data from the London Stock Exchange Group showed.

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
<b>USD/KES</b>	128.40	129.90			
<b>GBP/KES</b>	160.95	163.30	<b>GBP/USD</b>	1.2566	1.2472
<b>EUR/KES</b>	133.50	135.60	<b>EUR/USD</b>	1.0429	1.0347
<b>INR/KES</b>		1.5214	<b>USD/INR</b>	85.38	85.48
			<b>AUD/USD</b>	0.6286	0.6250
			<b>Commodities</b>		
			<b>Gold</b>	2644.90	2633.29
			<b>Brent Crude</b>	76.30	76.18

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
<b>91 Days</b>	9.8946%	9.9546%	-
<b>182 Days</b>	10.0216%	10.0216%	-
<b>364 Days</b>	11.4095%	11.5372%	-
<b>KES INFLATION</b>	3.000%	2.720%	-
<b>KES CBR</b>	11.25%	12.00%	-
<b>FED RATE</b>	4.25%	4.50%	-
<b>ECB RATE</b>	3.00%	3.25%	-
<b>BOE RATE</b>	4.75%	5.00%	-
<b>RBI RATE</b>	6.50%	6.50%	-

## Top News

**Oil:** Oil prices extended losses into a second straight session on Tuesday on technical correction after last week's rally, while forecasts for ample supply and a firm dollar also weighed.

**Asia-Pacific markets:** Asia-Pacific markets rose Tuesday, following an overnight rally in technology shares on Wall Street that saw the S&P500 and Nasdaq Composite post back-to-back gains.

## International Markets

**USD:** The U.S. dollar hovered near a one-week low versus major peers on Tuesday as traders considered whether President-elect Donald Trump's tariffs would be less aggressive than promised.

**GBP:** GBP/USD continues to rise for the third consecutive day, trading near 1.2530 during Tuesday's Asian session. The pair's upward momentum is driven by a subdued US Dollar (USD). Later in the day, the US ISM Services Purchasing Managers Index (PMI) is set to be released. On Wednesday, markets will focus on the Minutes from the Federal Reserve's (Fed) December policy meeting.

**EUR:** The EUR/USD pair softens to near 1.0380 on Tuesday during the Asian trading hours. The Greenback edges higher after President-elect Donald Trump said that his tariff policy won't be pared back. Traders brace for the preliminary Eurozone Harmonized Index of Consumer Prices (HICP) and the US ISM Services Purchasing Managers Index (PMI) for December, which are due later on Tuesday.

**INR:** The Indian Rupee (INR) rebounds on Tuesday after reaching a record low in the previous session. The Reserve Bank of India (RBI) intervention could help contain further loss in the local currency. On the other hand, the local currency remains fragile amid broad-based US Dollar (USD) bids. Furthermore, a steep fall in domestic equity markets and an unabated outflow of foreign capital might contribute to the INR's downside.

Source: Reuters.

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