

GLOBAL MARKETS NEWSLETTER

Monday Feb 17th, 2025

Local Markets:

The Kenya shilling slipped marginally against the US Dollar on Friday.

Today's expected USD/KES trading range is 128.50/129.50

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.50	129.50			
GBP/KES	162.10	163.10	GBP/USD	1.2640	1.2587
EUR/KES	135.15	136.20	EUR/USD	1.0530	1.0492
INR/KES		1.5030	USD/INR	86.52	86.44
			AUD/USD	0.6396	0.6337
			Commodities		
			Gold	2901.9	2928.3
			Brent Crude	74.90	75.24

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	8.9697%	9.1156%	-
182 Days	9.4100%	9.5190%	-
364 Days	10.5941%	10.7581%	-
KES INFLATION	3.300%	3.000%	-
KES CBR	10.75%	11.25%	-
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 were little changed on Monday as investors eyed developments on a potential Russia-Ukraine peace deal that could ease sanctions disrupting global supply flows. Brent crude futures was up 7 cents at \$74.81 a barrel at 0430 GMT, while U.S. West Texas Intermediate crude was stable at \$70.75 a barrel.

Asia-Pacific markets: The yen rose on Monday in a boost from upbeat Japanese GDP data, while the Australian and New Zealand dollars held broadly steady ahead of policy decisions later in the week. The dollar was on the back foot as traders assessed recent weaker-than-expected U.S. economic data which have reignited bets for more Federal Reserve rate cuts this year.

International Markets

USD: The US Dollar Index fell close to 107.00 after Thursday's sharp decline. US Retail Sales fell 0.9% in January, missing expectations and fueling rate cut speculation. US Treasury yields continue to decline with the 10-year yield below 4.50%.

GBP: GBP/USD posts modest gains around 1.2585 in Monday's early Asian session. The US Retail Sales dropped 0.9% in January, weaker than expected. Investors brace for the UK labour market data and CPI inflation data, which are due later this week. The GBP/USD pair trades with mild gains near 1.2585 during the early Asian session on Monday. The major pair edges higher amid the upbeat UK Gross Domestic Product (GDP) report and weaker US Retail Sales data.

EUR: EUR/USD remains subdued despite a positive market mood. A weaker US retail sales report has fuelled speculation that the Fed could cut interest rates later this year. The EUR/USD pair could further rise if a Ukraine ceasefire is reached and gas supplies resume. EUR/USD halts its four-day winning streak, hovering around 1.0490 during Asian trading hours.

INR: The Indian rupee's direction this week will be shaped by the dollar's reaction to its recent correction and whether worries over U.S. tariffs continue to subside, while the bond market will be on watch for any further liquidity infusion measures by the central bank.

Source: Reuters.

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