



GLOBAL MARKETS NEWSLETTER

Monday February 3rd, 2025

Local Markets:

The Kenyan shilling was eased against the U.S dollar on Friday, according to data from The London Stock Exchange Group.

Today's expected USD/KES trading range is 128.25/129.75

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.25	129.75			
GBP/KES	157.40	159.70	GBP/USD	1.2303	1.2446
EUR/KES	131.30	133.40	EUR/USD	1.0268	1.0416
INR/KES		1.4957	USD/INR	86.75	86.30
			AUD/USD	0.6148	0.6251
			Commodities		
			Gold	2784.50	2796.80
			Brent Crude	76.42	77.28

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.5219%	9.5252%	-
182 Days	10.0275%	10.0279%	-
364 Days	11.3132%	11.2945%	-
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 jumped on Monday after U.S president, Donald Trump imposed tariffs on Canada, Mexico and China raising fears of crude supply disruptions from the two biggest suppliers to the U.S, but the prospects of lower fuel demand capped gains.

Asia-Pacific markets: Asian currencies weakened sharply on Monday, with the Chinese yuan nearing a record low in offshore trade as the dollar rallied after U.S. President Donald Trump delivered on his threat of more trade tariffs.

International Markets

USD: The dollar index and dollar index futures both surged about 1.3% in Asian trade, reaching a near one-month peak. The greenback was also back in sight of an over two-year high hit in January. Trump's tariffs- which will take effect from Tuesday- are expected to be inflationary, given that they will be paid by U.S. importers. Sticky inflation in turn is expected to give the Federal Reserve less impetus to cut interest rates sooner, while also pressuring the U.S. economy.

GBP: GBP/USD continues its decline for the fifth consecutive session, hovering around 1.2270 during Monday's Asian trading hours. The pair has weakened by around 1% as the US Dollar Index (DXY), which measures the US Dollar (USD) against six major peers, gains strength following US President Donald Trump's tariffs against China, Canada, and Mexico.

EUR: The EUR/USD pair continues its downward trend, which started on January 27, trading around 1.0230 during the Asian session on Monday. A closer examination of the daily chart indicates that the bearish momentum is likely to persist, with the pair confined within a descending channel pattern.

INR: The Indian Rupee (INR) tumbles on Monday. Trump's announcement of the imposition of tariffs on major trading partners including China, Canada, and Mexico exert some selling pressure on the local currency. Additionally, the stronger US Dollar (USD), persistent foreign institutional investors (FIIs) outflows, and risk-off sentiment contribute to the INR's downside.

Source: Reuters.

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