

GLOBAL MARKETS NEWSLETTER

Friday February 7th, 2025

Local Markets:

The Kenyan shilling strengthened slightly on Thursday and is expected to gain further ground in the days ahead, helped by dollar inflows from investors buying government bonds.

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	159.35	161.70	GBP/USD	1.2454	1.2516
EUR/KES	133.05	135.20	EUR/USD	1.0406	1.0417
INR/KES		1.4894	USD/INR	87.12	87.17
			AUD/USD	0.6311	0.6295
			Commodities		
			Gold	2863.99	2869.30
			Brent Crude	74.74	74.73

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.1156%	9.5219%	-
182 Days	9.5190%	10.0275%	-
364 Days	10.7581%	11.3132%	-
KES INFLATION	3.300%	3.000%	-
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), the US crude oil benchmark, is trading around \$70.35 during the early Asian session on Friday. The WTI price edges lower amid concerns of weakening demands after China announced a retaliatory tariff on US crude oil imports, while the US inventory rose for the second consecutive week.

Asia-Pacific markets: Most Asian currencies moved little on Friday. Sentiment towards regional markets remained strained after the onset of renewed trade tensions between the U.S. and China earlier this week. Markets were watching for any dialogue between U.S. President Donald Trump and his Chinese counterpart Xi Jinping.

International Markets

USD: The U.S. dollar steadied ahead of more cues on U.S. interest rates and the economy from key nonfarm payrolls data due later in the day.

GBP: The GBP/USD pair struggles to capitalize on the overnight bounce from a multi-day low and trades with a mild negative bias, around the 1.2425 area during the Asian session on Friday. This marks the second straight day of a downtick, though it lacks follow-through as traders seem reluctant to place aggressive bets and opt to wait for the release of the US monthly jobs data.

EUR: The EUR/USD pair trades on a softer note around 1.0375 during the Asian session on Friday. The uncertainty surrounding US trade policy and the risk-off sentiment weigh on the Euro (EUR). Traders will keep an eye on the German Industrial Production ahead of US Nonfarm Payrolls (NFP) on Friday.

INR: The Indian Rupee (INR) rebounds after falling to a fresh all-time low in the previous session. The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) decided to cut the policy repo rate by 25 basis points (bps) to 6.25% for the first time in nearly five years.

Source: Reuters.

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