

# GLOBAL MARKETS NEWSLETTER

Wednesday March 5<sup>th</sup>, 2025

## Local Markets:

The Kenyan shilling was stable on Tuesday, with dollar inflows matching importers foreign currency demand.

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	164.00	166.40	GBP/USD	1.2819	1.2725
EUR/KES	136.20	138.30	EUR/USD	1.0649	1.0511
INR/KES		1.4955	USD/INR	86.76	86.99
			AUD/USD	0.6278	0.6227
			Commodities		
			Gold	2912.76	2892.16
			Brent Crude	70.86	71.02

## Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	8.9369%	8.9477%	-
182 Days	9.2396%	9.3116%	-
364 Days	10.5001%	10.5261%	-
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:** West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$67.65 during the early Asian session on Wednesday. The WTI price attracts some sellers amid geopolitical concerns, the OPEC+ production increase announcement and US tariffs on Canada, Mexico and China.

**Asia-Pacific markets:** Most Asian currencies weakened on Wednesday, while the dollar hovered around a three-month low as fears of a brewing U.S.-led trade war rattled market sentiment and kept traders largely risk-averse.

## International Markets

**USD:** The US Dollar Index (DXY), which measures the Greenback's value against six major currencies, suffers another leg lower on Wednesday, adding to Tuesday's losses and losing the key support of 106.00. Investors dumped the US Dollar after the US confirmed new tariffs on Canada, Mexico, and China with no last-minute extensions granted. As Canada and China announced countermeasures, further stoking market volatility.

**GBP:** The GBP/USD pair trades with mild gains to near 1.2790 during the early European trading hours on Wednesday. The US Dollar (USD) hovered near a three-month low amid concerns over slowing US economic growth and the impact of tariffs.

**EUR:** EUR/USD pinned the gas pedal, surging 1.4% and climbing 140 pips in a single session as markets sell off the US Dollar and bet that US President Donald Trump will find a reason to walk back his own tariff threats. Key data on both the European and US side are due later this week, but trade war rhetoric is ruling the roost for the midweek.

**INR:** The Indian Rupee (INR) extends its upside on Wednesday, bolstered by softer US Dollar. Crude oil prices are trading near the lowest in almost three months as OPEC+ said it will proceed with a plan to increase oil production from April. This, in turn, could help limit the INR's losses as India is the world's third-largest oil consumer.

Source: Reuters.

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