Wednesday May 14th, 2025

GLOBAL MARKETS NEWSLETTER

Local Markets:

The Kenyan shilling firmed slightly against the dollar on Tuesday, data from the London Stock Exchange Group (LSEG) showed.

Today's expected USD/KES trading range is 128.25/129.55

Indicative FX rates as at 8.30am:

Currency	*Buying*	*Selling*	*Currency*	*Today*	*Previous*
USD/KES	128.25	129.55			
GBP/KES	170.65	173.00	**GBP/USD**	1.3335	1.3227
EUR/KES	143.45	145.70	**EUR/USD**	1.1217	1.1140
INR/KES		1.5300	**USD/INR**	84.67	84.50
			AUD/USD	0.6505	0.6434
			Commodities		
			Gold	3227.15	3253.53
			Brent Crude	66.20	64.87

Benchmark Rates:

Tenor	*Current*	*Previous*	*Next meeting*
91 Days	8.3815%	8.4058%	-
182 Days	8.6010%	8.6190%	-
364 Days	10.0098%	10.0058%	-
KES INFLATION	4.110%	3.600%	-
KES CBR	10.00%	10.75%	-
FED RATE	4.25%	4.50%	-
ECB RATE	2.65%	2.90%	-
BOE RATE	4.25%	4.50%	-
RBI RATE	6.00%	6.25%	-

Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around $63.25 during the Asian trading hours on Wednesday. The WTI price extends its upside amid easing trade tensions between the United States (US) and China, which prompt traders to dial back odds of a recession.

Asia-Pacific markets: Most Asian currencies and the U.S. dollar were subdued on Wednesday as investors weighed the Federal Reserve's rate outlook following softer-than-expected inflation data and a U.S.-China trade truce.

International Markets

USD: The US Dollar Index (DXY), which tracks the US Dollar (USD) against a basket of six major currencies, remains subdued for a second consecutive day, hovering around 100.90 during Wednesday's Asian session. The Greenback weakened following softer-than-expected US inflation data.

GBP: GBP/USD is trading around 1.3300 during Wednesday's Asian session, stabilizing after posting over 1% gains in the previous session. However, the pair's upside may be capped as the British Pound (GBP) faces headwinds from cooling employment and moderating wage growth in the UK, factors that could reinforce expectations for further interest rate cuts by the Bank of England (BoE).

EUR: The EUR/USD pair gains ground to around 1.1195 during the Asian trading hours on Wednesday. The US Dollar (USD) weakens against the Euro (EUR) after the cooler-than-expected US April inflation data. Traders await the German Harmonized Index of Consumer Prices (HICP) data for April for fresh impetus, which is due later on Wednesday.

INR: The Indian Rupee (INR) gathers strength on Wednesday on the back of the US-China trade agreement and a ceasefire agreement between India and Pakistan. Analysts said that any fresh developments on the geopolitical front are likely to significantly influence the INR's trajectory in the near term. The renewed Foreign Portfolio Investors (FPI) inflows into debt instruments and equities contribute to the Indian currency's upside.

Source: Reuters.

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