

NEWSLETTER

GLOBAL MARKETS

Local Markets:

Kenyan shilling has remained relatively stable against the dollar in recent months, generally trading within a narrow range. The shilling's recent stability has been supported by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 128.10/129.40

Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency | Today | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES | 128.10 | 129.40 | | | |
| GBP/KES | 171.45 | 173.60 | GBP/USD | 1.3415 | 1.3455 |
| EUR/KES | 148.70 | 150.70 | EUR/USD | 1.1640 | 1.1665 |
| INR/KES | | 1.4345 | USD/INR | 90.20 | 89.90 |
| | | | AUD/USD | 0.6730 | 0.6705 |
| | | | Commodities | | |
| | | | Gold | 4605.42 | 4599.05 |
| | | | Brent Crude | 63.56 | 64.32 |

Benchmark Rates:

| Tenor | Current | Previous | |
|---------------|---------|----------|--|
| 91 Days | 7.7011% | 7.7277% | |
| 182 Days | 7.8000% | 7.8000% | |
| 364 Days | 9.2033% | 9.2045% | |
| KES INFLATION | 4.50% | 4.50% | |
| KES CBR | 9.00% | 9.50% | |
| FED RATE | 3.50% | 3.75% | |
| ECB RATE | 2.40% | 2.65% | |
| BOE RATE | 4.00% | 4.25% | |
| RBI RATE | 5.25% | 5.50% | |

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Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$59.10 during the Asian trading hours on Friday. The WTI price recovers some lost ground, snapping the two-day losing streak, as traders assess the geopolitical situation in the Middle East.

Asia-Pacific markets: Asian chip stocks climbed Friday, lifting several regional markets even as broader Asia-Pacific trade remained mixed. Investors across the region were also watching chip-related stocks after the U.S. reached a trade deal with Taiwan.

International Markets

USD: The US Dollar Index (DXY), which measures the value of the US Dollar (USD) against six major currencies, is edging lower after registering modest gains in the previous session. The DXY is trading around 99.30 during the Asian hours on Friday. Traders are likely to look for further direction from the US December Industrial Production data and comments from Federal Reserve (Fed) officials later in the day.

GBP: GBP/USD edges higher after registering modest losses in the previous session, trading around 1.3380 during the Asian hours on Friday. The pair may further lose ground as the US Dollar (USD) receives support after Thursday's US Initial Jobless Claims data, which reinforced expectations that the Federal Reserve (Fed) will keep interest rates on hold for the coming months.

EUR: EUR/USD holds ground after three days of losses, trading around 1.1610 during the Asian hours on Friday. The 14-day Relative Strength Index (RSI) momentum indicator, currently at 35 (neutral-bearish), shows momentum skewed to the downside.

INR: The pair starts Friday's session on a cautious note as the Indian Rupee (INR) attracts slight bids due to a sharp correction in the Oil price. The USD/INR pair ended Wednesday's session with modest gains around 90.55. On Thursday, Indian stocks, commodity, and currency markets were closed due to the Mumbai Municipal elections.

Source: Reuters.

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