

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 | 172.00 | 174.00 | GBP/USD | 1.3480 | 1.3425 |
| EUR/KES | 149.25 | 151.30 | EUR/USD | 1.1685 | 1.1665 |
| INR/KES | | 1.4310 | USD/INR | 90.50 | 90.40 |
| | | | AUD/USD | 0.6760 | 0.6725 |
| | | | Commodities | | |
| | | | Gold | 4699.36 | 4667.87 |
| | | | Brent Crude | 63.99 | 64.14 |

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% | |

Top News

Oil: Oil prices rose on Tuesday after better-than-expected economic growth data from China lifted demand optimism, with markets also watching President Donald Trump's threats of increased U.S. tariffs on European nations over his desire to buy Greenland.

Asia-Pacific markets. Most Asian stocks fell on Tuesday, extending deep losses from the prior session as investors remained on edge over U.S. President Donald Trump's demands for Greenland. Japanese shares sank even as Prime Minister Sanae Takaichi said she will dissolve parliament on Friday and hold a snap election in early-February— a move that could herald more fiscal stimulus in the country.

International Markets

USD: Over the weekend, the United States (US) President Donald Trump announced 10% tariffs on all goods from eight European countries as part of his plan to take over Greenland. As a result, financial markets were dominated by risk aversion. Meanwhile, the US stock and bond markets remained closed on Monday in observance of Martin Luther King Jr. Day.

GBP: GBP/USD holds ground after registering modest gains in the previous session, trading around 1.3430 during the Asian hours on Tuesday. The pair moves little as traders adopt caution ahead of labor market data from the United Kingdom (UK) due later in the day. Focus will shift toward the UK Consumer Price Index (CPI) and Retail Sales figures for December later in the week.

EUR: EUR/USD moves little after registering modest gains in the previous session, trading around 1.1640 during the Asian hours on Tuesday. The 14-day Relative Strength Index (RSI) momentum indicator, at 44 (neutral-to-bearish), confirms fading momentum.

INR: The Indian rupee is expected to remain vulnerable near the 91 level on Tuesday, with persistent flow-driven dollar demand keeping the risk of a slide to an all-time low in play.

Source: Reuters.

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