

# 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 128.50/129.40

**Indicative FX rates as at 8.30am:**

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	128.50	129.40			
<b>GBP/KES</b>	175.00	176.38	<b>GBP/USD</b>	1.3660	1.3625
<b>EUR/KES</b>	152.15	153.55	<b>EUR/USD</b>	1.1875	1.1882
<b>INR/KES</b>		1.4380	<b>USD/INR</b>	90.40	90.43
			<b>AUD/USD</b>	0.7097	0.7091
			<b>Commodities</b>		
			<b>Gold</b>	4985.99	4979.7
			<b>Brent Crude</b>	67.83	69.49

**Benchmark Rates:**

Tenor	Current	Previous	
<b>91 Days</b>	7.6094%	7.6298%	
<b>182 Days</b>	7.7701%	7.7881%	
<b>364 Days</b>	8.9755%	9.1999%	
<b>KES INFLATION</b>	4.40%	4.50%	
<b>KES CBR</b>	8.75%	9.00%	
<b>FED RATE</b>	3.50%	3.75%	
<b>ECB RATE</b>	2.00%	2.40%	
<b>BOE RATE</b>	3.75%	4.00%	
<b>RBI RATE</b>	5.25%	5.25%	

**Top News**

**Oil:** Oil prices were rangebound in Asian trade on Monday, with focus squarely on more dialogue between the U.S. and Iran as markets fretted over potential supply disruptions in the Middle East. Market holidays in China and the U.S. kept trading volumes dull, while dismal economic growth data from Japan also spurred some concerns over cooling demand.

**Asia-Pacific markets:** Most Asian stocks kept to a tight range on Monday as a market holiday in China kept trading volumes dull, while Japanese shares retreated on dismal fourth quarter economic growth data. South Korean and Taiwanese markets were also closed for the day.

**International Markets**

**USD:** The US Dollar Index, which measures the value of the US Dollar against six major currencies, has recovered small losses from the previous session and is trading near 97.00 during the Asian hours on Monday. Trading volumes are likely to remain muted, with United States markets closed for the Presidents' Day holiday, while Mainland China is also shut for the week-long Lunar New Year break.

**GBP:** The GBPUSD pair holds firm at around 1.3620 as the latest inflation report in the United States prompted traders to reprice the likelihood of an interest rate reduction by the Federal Reserve (Fed) at the June meeting. The pair trades flat yet poised to end the week with a minimal gain of around 0.12%

**EUR:** EUR/USD inches lower during the Asian hours on Monday, trading around 1.1870 at the time of writing. The 14-day Relative Strength Index momentum indicator at 56 (neutral) stays above the midline, confirming improving momentum. RSI has cooled from prior overbought readings but stabilizes above 50, suggesting dips could stay limited before buyers reassert control

**INR:** The rupee slipped by 1 paisa to 90.67 against the US dollar in the early session on Monday amid FII outflows and a stronger greenback

Source: Reuters.

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