

GLOBAL MARKETS NEWSLETTER

Tuesday December 10th, 2024

Local Markets:

The Kenyan shilling was stable on Monday but is expected to post gains driven by inflows from non-governmental organizations and remittances.

Today's expected USD/KES trading range is 128.40/129.90

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.40	129.90			
GBP/KES	163.75	166.10	GBP/USD	1.2783	1.2752
EUR/KES	135.60	137.70	EUR/USD	1.0591	1.0567
INR/KES		1.5371	USD/INR	84.51	84.39
			AUD/USD	0.6422	0.6407
			Commodities		
			Gold	2670.75	2639.72
			Brent Crude	71.76	71.49

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	10.4564%	11.2500%	-
182 Days	10.5485%	11.3377%	-
364 Days	11.9673%	12.4903%	-
KES INFLATION	2.720%	3.600%	December 2024
KES CBR	11.25%	12.00%	
FED RATE	4.50%	4.75%	
ECB RATE	3.25%	4.00%	
BOE RATE	4.75%	5.00%	
RBI RATE	6.50%	6.50%	

Top News

Oil: Oil prices eased only on Tuesday, holding on to most of their gains from the prior session as mounting geopolitical risk after the fall of Syrian President Bashar and China's vow to ramp up policy stimulus kept a floor under prices.

Asia-Pacific markets: China stocks rose Tuesday amid broader gains in Asia-Pacific markets, following losses on Wall Street that saw the S&P 500 and Nasdaq Composite pull back from record highs ahead of key inflation data.

International Markets

USD: The U.S. dollar edged to the highest level this month against the yen on Tuesday as traders looked ahead to a reading of U.S. inflation due the following day for further clues on the path of Federal Reserve policy. While markets have priced in a quarter-point Fed rate cut on Dec. 18 as a near certainty, the consumer price index due on Wednesday could shine some light on how much room policymakers have for easing next year.

GBP: GBP/USD remains stable for the second consecutive day, trading around 1.2750 during the Asian session on Tuesday. The risk-sensitive pair could face challenges as the US Dollar (USD) continues to gain ground due to market caution ahead of the US Consumer Price Index (CPI) data scheduled to be released on Wednesday.

EUR: The EUR/USD pair trades in positive territory around 1.0560 during the early European session on Tuesday. However, the upside for the major pair seems limited amid the rising bets for additional reductions by the European Central Bank (ECB) on Thursday.

INR: The Indian Rupee (INR) weakens to near a fresh record low on Tuesday. The local currency remains vulnerable due to a decline in its Asian peers, the outflow of foreign money, and persistent strength in the US Dollar (USD) from importers and foreign banks. However, the foreign exchange intervention by the Reserve Bank of India (RBI) might prevent the INR from further depreciation.

Source: Reuters.

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