



# GLOBAL MARKETS NEWSLETTER

Wednesday December 11<sup>th</sup>, 2024

## Local Markets:

The Kenyan shilling eased slightly on Tuesday, with little importer demand for dollars outpacing inflows in a session with limited activity ahead of the holidays.

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	163.95	166.30	GBP/USD	1.2798	1.2783
EUR/KES	135.15	137.30	EUR/USD	1.0556	1.0591
INR/KES		1.5369	USD/INR	84.52	84.51
			AUD/USD	0.6397	0.6422
			Commodities		
			Gold	2688.67	2670.75
			Brent Crude	72.66	71.76

## 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%	11/12/2024
RBI RATE	6.50%	6.50%	

## Top News

**Oil:** Oil prices rose slightly early on Wednesday, with market participants expecting to see demand rising in China next year after Beijing announced a looser monetary policy to stimulate economic growth.

**Asia-Pacific markets:** Asia-Pacific markets were mixed Wednesday, after major Wall Street benchmarks declined ahead of key inflation data that could influence the Federal Reserve's interest rate decision.

## International Markets

**USD:** The dollar traded close to a two-week high versus the yen on Wednesday ahead of a highly anticipated reading of U.S. inflation that could provide clues on the pace of Federal Reserve interest rate cuts.

**GBP:** GBP/USD extends its winning streak for the third successive session, trading around 1.2780 during the Asian hours on Wednesday. The Pound Sterling (GBP) gains support against its major peers as traders become increasingly confident that the Bank of England (BoE) will keep its interest rates unchanged at 4.75% in December's monetary policy decision.

**EUR:** EUR/USD remains subdued for the fourth consecutive day, trading around 1.0530 during the Asian session on Wednesday. However, the pair faced challenges as the US Dollar (USD) gained support from market caution, which could be attributed to the upcoming US Consumer Price Index (CPI) data release due on Wednesday.

**INR:** The Indian Rupee (INR) flat lines near a record low on Wednesday. The appointment of career bureaucrat Sanjay Malhotra as the next governor of the Reserve Bank of India (RBI) prompted traders to raise their bets on the interest rate cuts, which might undermine the local currency. Furthermore, a decline in its Asian peers and persistent strength in the US Dollar (USD) from importers and foreign banks could drag the INR lower.

Source: Reuters.

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