

GLOBAL MARKETS NEWSLETTER

Tuesday December 17th, 2024

Local Markets:

The Kenyan shilling held steady in Monday's trading session compared to its last close as trading activities slowed ahead of the Christmas 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	162.75	165.10	GBP/USD	1.2706	1.2667
EUR/KES	134.90	137.00	EUR/USD	1.0536	1.0552
INR/KES		1.5359	USD/INR	84.58	84.49
			AUD/USD	0.6373	0.6396
			Commodities		
			Gold	2653.80	2653.70
			Brent Crude	73.95	74.18

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%	18/12/2024
ECB RATE	3.00%	3.25%	
BOE RATE	4.75%	5.00%	19/12/2024
RBI RATE	6.50%	6.50%	

Top News

Oil: West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$70.20 on Tuesday. The WTI price trades flat as traders await the Federal Reserve's (Fed) interest rate decision on Wednesday. However, the concerns over sluggish global demand growth in China might cap the upside for the black gold for the time being.

Asia-Pacific markets: Asia-Pacific markets opened mixed Tuesday, tracking mixed gains on Wall Street as investors look toward the U.S. Federal Reserve's decision stateside.

International Markets

USD: The U.S. dollar edged higher against major currencies as investors eyed interest rate decisions from the Federal Reserve, Bank of Japan, Bank of England and other key central banks this week. The Fed is expected to cut interest rates by 25 basis points on Wednesday, but signal a slower pace of easing in 2025.

GBP: GBP/USD remains flat following gains in the previous session, trading around 1.2680 during the Asian hours on Tuesday. The daily chart analysis suggests an upward momentum shift as the pair attempts to break above the descending channel pattern, aligned with nine- and 14-day Exponential Moving Averages (EMAs).

EUR: The EUR/USD pair trades with mild gains to near 1.0510 during the Asian session on Tuesday. Nonetheless, the upside for the pair might be limited as the European Central Bank (ECB) expects to cut interest rates further if inflation settles at its 2% target as it expects.

INR: The Indian Rupee (INR) edges lower to near a fresh record low on Tuesday. A rise in US Treasury bond yields and weakness in the Chinese Yuan exert some selling pressure on the local currency. Furthermore, the widening of India's merchandise trade deficit in November further weighs on the INR.

Source: Reuters.

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