

GLOBAL MARKETS NEWSLETTER

Tuesday December 24th, 2024

Local Markets:

The Kenyan shilling gained ground against the U.S dollar ahead of the Christmas holiday season, the Central Bank of Kenya (CBK) said.

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	161.00	163.30	GBP/USD	1.2567	1.2609
EUR/KES	133.50	135.60	EUR/USD	1.0425	1.0471
INR/KES		1.5342	USD/INR	84.66	84.74
			AUD/USD	0.6261	0.6281
			Commodities		
			Gold	2620.58	2628.00
			Brent Crude	73.01	73.29

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.9546%	10.4564%	-
182 Days	10.0216%	10.5485%	-
364 Days	11.5372%	11.9673%	-
KES INFLATION	2.720%	3.600%	-
KES CBR	11.25%	12.00%	-
FED RATE	4.25%	4.50%	-
ECB RATE	3.00%	3.25%	-
BOE RATE	4.75%	5.00%	-
RBI RATE	6.50%	6.50%	-

Top News

Oil: West Texas Intermediate (WTI) Oil price continues to remain tepid for the second successive session, trading around \$69.30 per barrel during the Asian hours on Tuesday. However, crude Oil prices found some support due to thin trading activity ahead of the Christmas holiday.

Asia-Pacific markets: Most Asian currencies moved in a tight range on Tuesday, while the dollar extended overnight gains as traders positioned for a slower pace of interest rate cuts in the coming year.

International Markets

USD: The dollar was on the front foot on Tuesday as the prospect of higher-for-longer U.S. interest rates remained top of investors' minds, leaving other currencies struggling near milestone lows. In a holiday-curtailed week, trading volumes are likely to thin out as the year-end approaches.

GBP: The GBP/USD pair consolidates in a range below mid-1.2500s during the Asian session on Tuesday and remains within striking distance of its lowest level since May touched last week. Moreover, the fundamental backdrop and the technical setup suggest that the path of least resistance for spot prices remains on the downside.

EUR: The EUR/USD pair trades with mild losses around 1.0400 during the early Asian session on Tuesday. The expectation that the US Federal Reserve (Fed) will deliver fewer rate cuts in 2025 provides some support for the Greenback. Trading volumes are likely to be low ahead of the holiday trading week.

INR: The Indian Rupee (INR) extends its downside to near a fresh record low on Tuesday. The strong US Dollar (USD) demand by corporates, likely related to month-end payments and weakness in the Chinese Yuan could drag the local currency lower. The slight uptick in crude oil prices contributes to the INR's downside as India is the world's third-largest oil consumer.

Source: Reuters.

For further enquiries, kindly call: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

DISCLAIMER: Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.