



GLOBAL MARKETS NEWSLETTER

Thursday December 5th, 2024

Local Markets:

The Kenyan shilling was unchanged on Wednesday supported by dollar inflows from diaspora money transfers.

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

Top News

Oil: Oil prices rose on Thursday ahead of an OPEC+ meeting later in the day, with investors waiting to see what the producer group would do next on supply cuts while also monitoring tension in the Middle East.

Asia-Pacific markets: Asia-Pacific markets traded mixed Thursday after Wall Street stock benchmarks notched record highs, shrugging off global political turmoil.

International Markets

USD: In the United States, investor confidence of a rate cut there held firm despite comments from Federal Reserve Chair Jerome Powell and a slate of economic data overnight that showed services sector activity slowed in November after posting gains in recent months.

Powell on Wednesday said the economy is stronger now than the central bank had expected in September when it began reducing interest rates and appeared to signal his support for a slower pace of interest-rate cuts ahead.

GBP: The GBP/USD pair trades with a mild positive bias for the third straight day and holds steady just above the 1.2700 mark during the Asian session on Thursday. Spot prices, however, lack bullish conviction and remain below the weekly high touched on Monday.

EUR: The euro was subdued on Thursday after the widely expected collapse of the French government, stoking worries about the region's second-biggest economic power

INR: The Indian Rupee (INR) remains weak near a record low on Thursday despite interventions by the Reserve Bank of India (RBI). The strong US Dollar (USD) demand worries over India's economic growth and significant outflows from Indian portfolios following Donald Trump's strength in the US Presidential elections exert some selling pressure on the INR.

Source: Reuters.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.40	129.90			
GBP/KES	163.25	165.60	GBP/USD	1.2745	1.2720
EUR/KES	135.20	137.30	EUR/USD	1.0558	1.0547
INR/KES		1.5393	USD/INR	84.13	84.34
			AUD/USD	0.6458	0.6465
			Commodities		
			Gold	2655.59	2648.10
			Brent Crude	72.29	73.77

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	11.2500%	12.0340%	-
182 Days	11.3377%	12.2095%	-
364 Days	12.4903%	13.2949%	-
KES INFLATION	2.720%	3.600%	5 th Dec. 24
KES CBR	12.00%	13.00%	
FED RATE	4.50%	4.75%	
ECB RATE	3.25%	4.00%	
BOE RATE	4.75%	5.00%	
RBI RATE	6.50%	6.50%	

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