

GLOBAL MARKETS NEWSLETTER

Monday December 9th, 2024

Local Markets:

The Kenyan shilling was stable on Friday on dollar inflows from the tourism sector and tea exports.

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	163.35	165.70	GBP/USD	1.2752	1.2775
EUR/KES	135.30	137.40	EUR/USD	1.0567	1.0602
INR/KES		1.5393	USD/INR	84.39	84.29
			AUD/USD	0.6407	0.6451
			Commodities		
			Gold	2639.72	2637.09
			Brent Crude	71.49	72.01

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 were mixed in early Asia trade on Monday as concerns over weak Chinese demand were offset by rising tensions in the Middle East following the rebel overthrow of Syrian President Bashar al-Assad.

Asia-Pacific markets: Asia-Pacific, markets were mixed Monday as traders assessed revised economic growth data from Japan and China's November inflation data.

International Markets

USD: The US Dollar (USD) rally lost momentum last week. With a quarter point rate cut by the Federal Reserve next week a near certainty as per market pricing, analysts say the dollar is looking tired after its long run-up in the four weeks since Donald Trump won the presidential election.

GBP: The GBP/USD pair kicks off the new week on a subdued note and oscillates in a narrow trading band, below mid-1.2700s during the Asian session. Spot prices, meanwhile, remain within striking distance of over a three-week high – levels above the 1.2800 mark – touched on Friday, though the fundamental backdrop warrants some caution for bullish traders.

EUR: The EUR/USD pair trades with a mild negative bias near 1.0550 on Monday during the Asian trading hours. Investors will closely monitor the US Consumer Price Index (CPI) inflation report for November, which is due on Wednesday. On Thursday, the European Central Bank (ECB) interest rate decision will take center stage. Investors will be looking for clues about what comes next.

INR: The Indian Rupee (INR) weakens on Monday. The weakness in the Chinese Yuan, the renewed US Dollar (USD) demand from importers and local oil companies, and concerns over slowing domestic growth could weigh on the local currency in the near term. Despite this weakening, the expectations of increased government spending and foreign exchange intervention by the Reserve Bank of India (RBI) might help limit the INR's losses.

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.