

GLOBAL MARKETS NEWSLETTER

Friday January 17th, 2025

Local Markets:

The Kenyan shilling held its ground against the U.S dollar on Thursday, with the central bank stepping in to mop up any excess foreign exchange demand from the corporate sector.

Today's expected USD/KES trading range is 128.60/130.10

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.60	130.10			
GBP/KES	157.15	159.50	GBP/USD	1.2250	1.2240
EUR/KES	132.35	134.50	EUR/USD	1.0321	1.0312
INR/KES		1.5085	USD/INR	86.24	86.14
			AUD/USD	0.6224	0.6220
			Commodities		
			Gold	2714.20	2695.25
			Brent Crude	81.84	82.04

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.5647%	9.5935%	-
182 Days	10.0299%	10.0253%	-
364 Days	11.3044%	11.3342%	-
KES INFLATION	3.000%	2.720%	-
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: Oil prices rose on Friday and headed towards a fourth consecutive weekly gain as the latest U.S sanctions on Russian energy trade hit supply and pushed up spot trade prices and shipping rates.

Asia-Pacific markets: Most Asian currencies kept to a tight range as Friday's data dump showed some resilience in the Chinese economy, as it faces increased trade tariffs under Trump. But Beijing is also expected to dole out more stimulus measures this year.

International Markets

USD: On Friday the U.S dollar nursed some weekly losses amid uncertainty over interest rates, while anticipation of President-elect Donald Trump's inauguration also weighed. Soft inflation data released this week spurred some bets that the Fed will still cut rates in 2025.

GBP: The GBP/USD pair remains subdued for the second successive day, trading near 1.2230 during the Asian session on Friday. However, technical analysis of the daily chart suggests a persistent bearish bias, with the pair continuing to move within a descending channel pattern.

EUR: The EUR/USD pair weakens to near 1.0290 during the early European session on Friday. The expectation of further rate cuts by the European Central Bank (ECB) drags the Euro (EUR) lower against the Greenback. Traders await the Eurozone Current Account and Harmonized Index of Consumer Prices (HICP) for fresh impetuses, which will be released later on Friday.

INR: The Indian Rupee (INR) holds steady on Friday. The likely intervention from the Reserve Bank of India (RBI) to sell the US Dollar (USD) via state-run banks helps contain excess losses. Nonetheless, the USD bids from importers and foreign banks, particularly oil companies, could weigh on the local currency.

Source: Reuters.

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