

GLOBAL MARKETS NEWSLETTER

Monday January 20th, 2025

Local Markets:

The Kenyan shilling was stable against the U.S dollar on Friday, data from The London Stock Exchange Group showed.

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	157.05	159.30	GBP/USD	1.2242	1.2250
EUR/KES	132.50	134.60	EUR/USD	1.0333	1.0321
INR/KES		1.5104	USD/INR	86.14	86.24
			AUD/USD	0.6233	0.6224
			Commodities		
			Gold	2706.30	2714.20
			Brent Crude	80.67	81.84

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 were little changed on Monday as expectations of US President-elect Donald Trump relaxing curbs on Russia's energy sector in exchange for a deal to end the Ukraine war offset concern of supply disruption from harsher sanctions.

Asia-Pacific markets: Most Asian currencies edged higher on Monday as the dollar weakened ahead of U.S. President-elect Donald Trump's inauguration, while the Chinese central bank kept benchmark lending rates unchanged to support the yuan.

International Markets

USD: The U.S. dollar's recent strength may falter as key indicators suggest it is overbought, BCA Research analysts said in a note. The US Dollar Index was 0.3% lower during Asian trading, retreating from a 26-month high reached last week. The greenback has consistently remained near a two-year high after the Federal Reserve turned hawkish last month.

GBP: The GBP/USD pair kicks off the new week on a slightly positive note and reverses a part of Friday's decline, though the uptick lacks follow-through or bullish conviction. Spot prices currently trade around the 1.2180 region, up less than 0.10% for the day, and remain close to the lowest level since November 2023 touched last week.

EUR: EUR/USD recovers some of its losses from the previous session, trading near 1.0280 during Asian hours. However, the pair's upside may remain capped as the US Dollar (USD) could strengthen due to market caution ahead of President-elect Donald Trump's inauguration later on the day. The US market will remain closed on Monday for the Martin Luther King Jr. Day holiday.

INR: The Indian Rupee (INR) strengthens on Monday after logging its worst week in 18 months in the previous week. The frequent interventions by the Reserve Bank of India (RBI) and a decline in crude oil prices could help prevent sharper losses of the local currency.

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.