



GLOBAL MARKETS NEWSLETTER

Friday January 31st, 2025

Local Markets:

The Kenyan shilling was flat against the U.S dollar on Thursday, amid a lull in foreign currency demand.

Today's expected USD/KES trading range is 128.25/129.75

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.25	129.75			
GBP/KES	159.25	161.60	GBP/USD	1.2446	1.2478
EUR/KES	133.20	135.30	EUR/USD	1.0416	1.0449
INR/KES		1.5034	USD/INR	86.30	86.22
			AUD/USD	0.6251	0.6249
			Commodities		
			Gold	2796.80	2759.70
			Brent Crude	77.28	76.52

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.5219%	9.5252%	-
182 Days	10.0275%	10.0279%	-
364 Days	11.3132%	11.2945%	-
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 as markets weigh the threat of tariffs by U.S. President Donald Trump on Mexico and Canada, the two largest crude exporters to the U.S., that could take effect this weekend.

Asia-Pacific markets: Asia markets mostly rose Friday after Wall Street rose overnight as investors assessed Big Tech earnings. Hong Kong and Chinese markets remain closed for the Lunar New Year holiday.

International Markets

USD: The US Dollar Index (DXY), which measures the value of the US Dollar against a basket of currencies, hovers below 108.00 as traders react to the Federal Reserve's (Fed) latest decision and a weaker-than-expected US Gross Domestic Product (GDP) print. The Fed maintained its policy stance but removed previous references to inflation making progress toward the 2% goal, sparking hawkish speculation.

GBP: GBP/USD continues its losing streak for the fourth successive session, trading around 1.2420 during the Asian hours on Friday. This downside is attributed to the improved US Dollar (USD) amid increased risk aversion following renewed tariff threats from US President Donald Trump.

EUR: The EUR/USD pair attracts some sellers to around 1.0385 during the Asian trading hours on Friday. The expectation of further interest rate cuts by the European Central Bank (ECB) weighs on the Euro (EUR) against the Greenback. Investors await more clarity about fresh tariff threats by US President Donald Trump for fresh catalysts.

INR: The Indian Rupee (INR) remains weak on Friday, pressured by the persistent portfolio outflows and month-end US Dollar (USD) demand. Furthermore, a hawkish hold from the U.S. Federal Reserve (Fed) is likely to boost the Greenback and exert some selling pressure on the local currency. Fed Chair Jerome Powell said there would be no rush to cut the interest rate again.

Source: Reuters.

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