

GLOBAL MARKETS NEWSLETTER

Wednesday Feb 12th, 2025

Local Markets:

The Kenyan shilling was unchanged against the USD dollar on Tuesday.

Today's expected USD/KES trading range is 128.50/129.50

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.50	129.50			
GBP/KES	159.75	161.60	GBP/USD	1.2487	1.2394
EUR/KES	133.05	134.70	EUR/USD	1.0378	1.0327
INR/KES		1.4930	USD/INR	86.42	87.46
			AUD/USD	0.6325	0.6298
			Commodities		
			Gold	2886.8	2918.3
			Brent Crude	76.71	76.15

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	9.1156%	9.5219%	-
182 Days	9.5190%	10.0275%	-
364 Days	10.7581%	11.3132%	-
KES INFLATION	3.300%	3.000%	-
KES CBR	10.75%	11.25%	-
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 edged down on Wednesday as an industry report showed an increase in U.S. crude stockpiles and tariff worries weighed on sentiment, though stronger refining margins limited the market's downside.

Asia-Pacific markets: As China directs its large financial institutions to help revive and rebalance a struggling stock market, analysts see merit in the plan but are skeptical it will stimulate a recovery.

International Markets

USD: The dollar took a step back from its tariff-driven rally, leaving it below recent peaks as traders waited on U.S. inflation data and news on the broader trade front. Early on Wednesday the dollar was 0.3% firmer and above 153 yen for the first time in a week, but elsewhere it was nursing modest losses and traded at \$1.0357 per euro.

GBP: GBP/USD could face challenges due to increased trade war tensions following Trump's tariffs. The US Dollar may appreciate as Fed's Powell signaled there is no urgency to cut interest rates. The British Pound may struggle as BoE's Mann expressed dovish views on interest rate outlook on Tuesday. GBP/USD remains steady after registering gains in the previous session, trading around 1.2450 during the Asian hours on Wednesday.

EUR: EUR/USD could depreciate as Trump's administration is advancing a plan for reciprocal tariffs. The Eurozone faces the risk of reciprocal tariffs since it imposes a 10% duty on US automobile imports. The US Dollar may appreciate as Fed's Powell signaled there is no urgency to cut interest rates. EUR/USD remains steady around 1.0360 during Asian trading hours on Wednesday after gaining in the previous session.

INR: The Indian rupee rose on Wednesday, hitting a nearly two-week high and extending its two-day rally spurred by central bank intervention, which analysts reckon may have forced the liquidation of bearish positions on the currency

Source: Reuters.

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