

GLOBAL MARKETS NEWSLETTER

Wednesday February 19th, 2025

Local Markets:

The Kenyan shilling weakened on Tuesday due to increased demand for dollars from general goods importers.

Today's expected USD/KES trading range is 128.50/129.60

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.50	129.60			
GBP/KES	161.90	164.20	GBP/USD	1.2649	1.2624
EUR/KES	134.10	136.20	EUR/USD	1.0483	1.0484
INR/KES		1.5002	USD/INR	86.52	86.57
			AUD/USD	0.6396	0.6380
			Commodities		
			Gold	2932.37	2912.92
			Brent Crude	76.01	75.42

Benchmark Rates:

Tenor	Current	Previous	Next meeting
91 Days	8.9697%	9.1156%	-
182 Days	9.4100%	9.5190%	-
364 Days	10.5941%	10.7581%	-
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 higher on Wednesday amid oil supply disruptions in the U.S. and Russia and as markets awaited clarity on the Ukraine peace talks. Russia said oil flows through the Caspian Pipeline Consortium (CPC), a major route for crude exports from Kazakhstan, were reduced by 30%-40% on Tuesday after a Ukrainian drone attack on a pumping station.

Asia-Pacific markets: Asia-Pacific stocks were mostly down Wednesday, breaking ranks with Wall Street that saw the S&P 500 close at a record high as investors appeared to look past tariffs and inflation headwinds.

International Markets

USD: The U.S. dollar held firm on Wednesday on the back of tariff concerns and tense Russia-Ukraine negotiations. In the broader market, investors sized up the latest note in U.S. President Donald Trump's tariff crescendo and uncertainty after initial Russia-Ukraine peace talks finished without Kyiv or Europe at the table.

GBP: GBP/USD remains firm after losses in the previous session, trading around 1.2610 during the Asian session on Wednesday. Traders await the release of January's Consumer Price Index (CPI) data from the UK scheduled to be released later in the day. The GBP could see significant movement in response to the inflation report, which may influence (BoE) interest rate-cut strategy amid ongoing inflationary pressures.

EUR: The EUR/USD pair posts modest gains to around 1.0450 during the Asian trading hours on Wednesday, bolstered by the weakening of the US Dollar (USD). However, tariff concerns and tense Russia-Ukraine negotiations might boost the Greenback, a safe-haven currency, and cap the upside for the major pair.

INR: The Indian Rupee (INR) trades in negative territory on Wednesday. The US Dollar (USD) demand due to the maturity of positions in the non-deliverable forwards (NDF) market and a decline in most Asian peers weigh on the INR. Additionally, persistent outflows from local stocks and a recovery in crude oil prices contribute to the local currency's downside.

Source: Reuters.

For further enquiries, kindly call: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/680/681,

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