



GLOBAL MARKETS NEWSLETTER

Tuesday February 4th, 2025

Local Markets:

The Kenyan shilling was stable on Monday and was expected to firm because of dollar inflows from non-governmental organizations, remittances and foreign investors buying government bonds on sale this month.

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	159.00	161.30	GBP/USD	1.2428	1.2303
EUR/KES	132.00	134.10	EUR/USD	1.0323	1.0268
INR/KES		1.4957	USD/INR	86.75	86.75
			AUD/USD	0.6213	0.6148
			Commodities		
			Gold	2816.50	2784.50
			Brent Crude	75.14	76.42

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	3.300%	3.000%	-
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 retreated on Tuesday after U.S. President Donald Trump agreed to hold off imposing steep tariffs on Mexico and Canada, the two biggest foreign oil suppliers to the United States, for a month.

Asia-Pacific markets: Asia-Pacific markets rose Tuesday after Donald Trump paused tariffs on Mexico for a month, while Canada also said the U.S. president had put on hold proposed tariffs on its exports.

International Markets

USD: The dollar nurse losses after U.S. President Donald Trump postponed plans to impose trade tariffs against Canada and Mexico. The U.S. President is set to speak with Chinese President Xi Jinping as soon as this week, the White House said, potentially setting up a diplomatic deal that could avoid a greater trade war.

GBP: GBP/USD continues to gain ground for the second successive session, trading around 1.2430 during the Asian hours on Tuesday. The pair improved amid improved risk-on sentiment after US President Donald Trump announced late Monday that he would pause tariffs on Mexico and Canada.

EUR: EUR/USD extends its losing streak after surrendering daily gains, trading around 1.0280 during the Asian session on Tuesday. The pair loses ground as the US Dollar appreciates due to a 10% tariff implementation on China. However, Trump said on Monday afternoon that talks with China would take place "probably over the next 24 hours." He also said, "If we can't make a deal with China, then the tariffs will be very, very substantial."

INR: The Indian Rupee (INR) softens on Tuesday, pressured by the stronger US Dollar (USD). Furthermore, persistent foreign capital outflows since late-2024 and downbeat India's Gross Domestic Product (GDP) data undermine the INR. The country's economy is estimated to grow at a slower pace in the coming years, as its run of 8% annual growth proved to be unsustainable.

Source: Reuters.

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