

## GLOBAL MARKETS NEWSLETTER

### Local Markets:

The Kenyan shilling remained stable against the dollar on Wednesday

Today's expected USD/KES trading range is 128.30/129.60

### Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency    | Today   | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES  | 128.30 | 129.60  |             |         |          |
| GBP/KES  | 175.00 | 176.80  | GBP/USD     | 1.3636  | 1.3620   |
| EUR/KES  | 151.00 | 152.80  | EUR/USD     | 1.1768  | 1.1736   |
| INR/KES  |        | 1.5245  | USD/INR     | 85.26   | 85.44    |
|          |        |         | AUD/USD     | 0.6575  | 0.6584   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 3323.40 | 3297.13  |
|          |        |         | Brent Crude | 70.29   | 69.94    |

### Benchmark Rates:

| Tenor         | Current | Previous |  |
|---------------|---------|----------|--|
| 91 Days       | 8.1454% | 8.1387%  |  |
| 182 Days      | 8.4500% | 8.4613%  |  |
| 364 Days      | 9.7134% | 9.7221%  |  |
| KES INFLATION | 3.8000% | 3.8000%  |  |
| KES CBR       | 9.75%   | 10.00%   |  |
| FED RATE      | 4.25%   | 4.50%    |  |
| ECB RATE      | 2.65%   | 2.90%    |  |
| BOE RATE      | 4.25%   | 4.50%    |  |
| RBI RATE      | 6.00%   | 6.25%    |  |

### Top News

**Oil:** Oil prices eased on Thursday as the latest tariff announcements by U.S. President Donald Trump were perceived by market participants as a threat to global economic growth, however signs of strong U.S. gasoline demand limited losses

**Asia-Pacific markets:** Asian stocks rose slightly on Thursday, riding on optimism from Nvidia's brief rise to a world-record \$4 trillion valuation and as investors largely shrugged off U.S. President Donald Trump's latest tariff salvos.

### International Markets

**USD:** The Dollar appreciates for the third day in a row but remains trapped within Tuesday's trading range. Market sentiment has improved as investors digest the latest developments of Trump's trade saga. Later today, the Fed minutes might provide additional guidance for US Dollar crosses. The US Dollar Index, which measures the USD against a basket of currencies, is trimming previous gains as risk aversion eases somewhat during the early European session.

**GBP:** GBP/USD strengthens to near 1.3605 in Thursday's Asian session. Most policymakers see rate cuts coming, FOMC Minutes showed. Traders await the US Initial Jobless Claims on Thursday ahead of the UK May GDP data. The GBP/USD pair gains ground around 1.3605 during the Asian trading hours on Thursday.

**EUR:** EUR/USD gains ground as the US Dollar weakens amid renewed tariff concerns. Trump's new letters detail individual tariff rates ranging from 20% to 50% on eight countries, taking effect starting August 1. The Euro advances following the news of the White House not targeting the EU w1. The additional tariffs. EUR/USD appreciates after registering mild losses in the previous session, trading around 1.1730 during the Asian hours on Thursday.

**INR:** USD/INR opens at 85.61 against 85.6725 in previous session. Dollar index little changed at 97.4; USD/Asia flat-to-slightly lower. U.S. President Trump's latest tariff announcements spur only muted market reaction; regional equities trading mixed. USD/INR tipped to hold onto prevailing 85.30-86 range as market sensitivity to tariff headlines dips, Fed minutes do little to change outlook on rate cuts, trader says. Portfolio flows on either side have also "dried up" over last few sessions, prompting large choppy price action on USD/INR, trader adds. U.S. jobless claims data, remarks from Fed policymakers due later in the day.

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