

# GLOBAL MARKETS NEWSLETTER

## Local Markets:

The Kenya's shilling remains stable against the dollar.

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  | 174.00 | 175.60  | GBP/USD     | 1.3560  | 1.3503   |
| EUR/KES  | 150.65 | 152.75  | EUR/USD     | 1.1768  | 1.1716   |
| INR/KES  |        | 1.5055  | USD/INR     | 86.045  | 85.91    |
|          |        |         | AUD/USD     | 0.6597  | 0.6543   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 3421.55 | 3388.38  |
|          |        |         | Brent Crude | 68.88   | 68.64    |

## Benchmark Rates:

| Tenor         | Current | Previous |  |
|---------------|---------|----------|--|
| 91 Days       | 8.1283% | 8.1421%  |  |
| 182 Days      | 8.4310% | 8.4404%  |  |
| 364 Days      | 9.7276% | 9.7218%  |  |
| KES INFLATION | 3.800%  | 3.800%   |  |
| 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 edged up in Asian trade on Wednesday after falling for three consecutive sessions as a U.S. trade deal, opens new tab with Japan signaled progress on tariffs, though gains were capped by fading hopes for a breakthrough at an EU-China summit.

**Asia-Pacific markets:** Most Asian currencies edged higher on Wednesday as the dollar remained weak, while the yen was largely steady after briefly rising on U.S. President Donald Trump's announcement of a major trade deal with Japan.

## International Markets

**USD:** The dollar stayed weak on Wednesday, having lost ground overnight, after U.S. President Donald Trump announced a trade deal with Japan ahead of an impending tariff deadline.

**GBP:** GBP/USD gains momentum to around 1.3525 in Wednesday's early European session. Uncertainty over tariff policy and concerns over Fed independence undermine the US Dollar. Growing UK fiscal pressures and rising BoE rate cut bets might cap the pair's upside. The GBP/USD pair extends the rally to near 1.3525 during the early European session on Wednesday.

**EUR:** EUR/USD now gathers extra steam and advances to new two-week peaks around 1.1760 on Tuesday. The increasing selling pressure continues to hurt the US Dollar amid steady trade concerns and rising effervescence surrounding the Trump-Powell spat.

**INR:** The Indian Rupee slumps against the US Dollar as FIIs have sold a significant number of Indian equities so far in July. Washington signed trade deals with Japan and the Philippines. US officials are scheduled to visit India for the sixth round of trade talks in August. The Indian Rupee declines to its lowest level in a month against the US Dollar (USD) at open on Wednesday.

Source: Reuters.

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

**DISCLAIMER:** Even though care and caution has been taken in the preparation of the opinions, forecasts and provision of information contained in this report, the Bank does not take any responsibility or give any warranties as to their accuracy or completeness, nor does the bank assume liability for any losses arising from errors or omissions or the results obtained from the use of such information.