

GLOBAL MARKETS NEWSLETTER

Local Markets:

Kenya's Purchasing Managers' Index (PMI) fell to 48.6 in June from 49.6 in May, its sharpest drop in 11 months, signaling a modest but notable deterioration in business conditions.

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	174.95	177.10	GBP/USD	1.3708	1.3666
EUR/KES	151.30	153.30	EUR/USD	1.1811	1.1821
INR/KES		1.5245	USD/INR	84.79	85.00
			AUD/USD	0.6603	0.6597
			Commodities		
			Gold	3339.80	3355.05
			Brent Crude	68.71	68.60

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	3.800%	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: West Texas Intermediate (WTI) Oil price extends its losses for the second successive session, trading around \$66.10 per barrel during the Asian hours on Friday. Crude Oil prices depreciate due to potential easing of Oil demand, driven by the solid job market, bolstering the case for the US Federal Reserve (Fed) keeping interest rates on hold. This is important to note that higher borrowing cost dampens economic activities in the United States (US), the world's largest Oil consumer, and weaken crude prices.

Asia-Pacific markets: Most Asian currencies moved in a flat-to-low range on Friday as strong U.S. payrolls data dented bets on U.S. interest rate cuts in the near-term and helped the dollar curb some weekly losses.

International Markets

USD: The US Dollar fell slightly in Asian trade after a sweeping tax and spending cut bill backed by President Donald Trump was approved by the House of Representatives but was sitting on some overnight gains.

GBP: GBP/USD holds ground for the second consecutive day, trading around 1.3660 during the Asian hours on Friday. The pair remains steady as the US Dollar (USD) depreciates as traders adopt caution, while seeking clarity on US President Donald Trump's plans for tariffs on various countries. On Thursday, Trump told reporters that he "will begin sending letters on trade tariffs starting Friday." He added that he would send letters to 10 countries at a time, laying out tariff rates of 20% to 30%, reported by Reuters.

EUR: The EUR/USD pair trades in a tight range around 1.1760 during the Asian session on Friday. The major currency pair exhibits a lackluster performance amid a holiday in the United States (US) markets on account of Independence Day.

INR: The Indian Rupee (INR) trades slightly lower at open against the US Dollar (USD) on Friday. The USD/INR pair ticks up to near 85.56 even as the US Dollar (USD) resumes its downside journey in the aftermath of the United States (US) Nonfarm Payrolls (NFP) report for June, released on Thursday.

Source: Reuters.

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