

# NEWSLETTER

## GLOBAL MARKETS

### Local Markets:

Kenyan shilling has remained relatively stable against the dollar in recent months, generally trading within a narrow range. The shilling's recent stability has been supported by robust diaspora remittances, healthy foreign exchange reserves and managed import demand.

Today's expected USD/KES trading range is 128.10/129.40

### Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency    | Today   | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES  | 128.10 | 129.40  |             |         |          |
| GBP/KES  | 172.55 | 174.70  | GBP/USD     | 1.3500  | 1.3460   |
| EUR/KES  | 149.40 | 151.30  | EUR/USD     | 1.1695  | 1.1695   |
| INR/KES  |        | 1.4400  | USD/INR     | 89.85   | 89.80    |
|          |        |         | AUD/USD     | 0.6735  | 0.6725   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 4593.92 | 4577.42  |
|          |        |         | Brent Crude | 64.05   | 63.46    |

### Benchmark Rates:

| Tenor         | Current | Previous |
|---------------|---------|----------|
| 91 Days       | 7.7277% | 7.7286%  |
| 182 Days      | 7.8000% | 7.8000%  |
| 364 Days      | 9.2045% | 9.2095%  |
| KES INFLATION | 4.50%   | 4.50%    |
| KES CBR       | 9.00%   | 9.50%    |
| FED RATE      | 3.50%   | 3.75%    |
| ECB RATE      | 2.40%   | 2.65%    |
| BOE RATE      | 4.00%   | 4.25%    |
| RBI RATE      | 5.25%   | 5.50%    |

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### Top News

**Oil:** West Texas Intermediate (WTI), the US crude oil benchmark, is trading around \$59.55 during the early Asian trading hours on Tuesday. The WTI price gains traction over one-month highs amid rising tensions in Iran. Traders brace for the release of the American Petroleum Institute (API) crude oil stockpiles report on Tuesday.

**Asia-Pacific markets:** Asia-Pacific markets traded higher on Tuesday as traders shrugged off geopolitical flashpoints in Iran and Venezuela, as well as a criminal investigation into the U.S. Federal Reserve Chair Jerome Powell.

### International Markets

**USD:** The US Dollar Index (DXY), a gauge of the Greenback's performance against six major currencies, edges lower on Tuesday as growing concerns over the Federal Reserve's (Fed) independence weigh on sentiment.

**GBP:** The GBP/USD pair edges higher for the second straight day on Tuesday and looks to build on the previous day's recovery from the 1.3390 region, or a three-week low. Spot prices currently trade around the 1.3475 region, up nearly 0.10% for the day.

**EUR:** EUR/USD edges lower after registering modest gains in the previous session, trading around 1.1660 during the Asian hours on Tuesday. The 14-day Relative Strength Index (RSI) momentum indicator at 42.69 sits below the 50 midline and is easing, confirming a bearish tilt. RSI near 43 keeps sellers in control without reaching oversold, suggesting consolidation could precede follow-through.

**INR:** The Indian Rupee (INR) opens lower against the US Dollar (USD) on Tuesday at around 90.52, ahead of trade talks between the United States (US) and India during the day. The USD/INR pair is expected to remain on the sidelines as the impact of the trade meeting outcome will be significant on the Indian Rupee, given that the Indian currency remained the worst-performing Asian currency in 2025 due to hefty tariffs on imports from New Delhi to Washington.

*Source: Reuters.*

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