

# 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 128.50/129.40

### Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.50	129.40			
GBP/KES	174.80	176.10	GBP/USD	1.3641	1.3660
EUR/KES	152.10	153.45	EUR/USD	1.1863	1.1875
INR/KES		1.4380	USD/INR	90.34	90.40
			AUD/USD	0.7071	0.7097
			Commodities		
			Gold	4887.53	4985.99
			Brent Crude	68.30	67.83

### Benchmark Rates:

Tenor	Current	Previous	
91 Days	7.6094%	7.6298%	
182 Days	7.7701%	7.7881%	
364 Days	8.9755%	9.1999%	
KES INFLATION	4.40%	4.50%	
KES CBR	8.75%	9.00%	
FED RATE	3.50%	3.75%	
ECB RATE	2.00%	2.40%	
BOE RATE	3.75%	4.00%	
RBI RATE	5.25%	5.25%	

### Top News

**Oil:** Oil prices fell slightly in holiday-thinned trade on Tuesday, with focus squarely on upcoming negotiations between the U.S. and Iran. Strength in the dollar, before a string of economic and Federal Reserve cues this week, also pressured crude markets.

**Asia-Pacific markets:** Asian stocks were a mixed bag in holiday-thinned trade on Tuesday, with Japanese shares extending losses after dismal economic growth data, while Australia was buoyed by gains in mining giant BHP.

### International Markets

**USD:** Most Asian currencies weakened on Tuesday as market holidays across most of the region kept trading volumes thin, while the dollar caught some bids before a swathe of economic cues due this week. Gains in the dollar also came amid thin U.S. trading volumes, following a Monday holiday in U.S. markets. This in turn made for few trading cues for Asian markets.

**GBP:** The GBP/USD pair trades with a negative bias for the second straight day, though it lacks bearish conviction and holds above the 1.3600 mark through the Asian session on Tuesday. Traders now look forward to the release of the UK monthly jobs report, which will influence the British Pound and provide some impetus to the currency pair.

**EUR:** The EUR/USD pair attracts some sellers for the second consecutive day on Tuesday and hovers below mid-1.1800s amid a relatively quiet trading action during the Asian session. The broader fundamental backdrop, however, warrants some caution for bearish traders before positioning for deeper losses.

**INR:** The Indian Rupee opens flat near Monday's low at around 90.80 against the US Dollar (USD) on Tuesday. The USD/INR pair trades broadly stable as strong dollar demand by Indian importers continues to support the downside, while the upside remains capped amid fears of the Reserve Bank of India's (RBI) intervention

Source: Reuters.

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