

# 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 128.60/129.50

**Indicative FX rates as at 8.30am:**

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.60	129.50			
GBP/KES	172.00	173.55	GBP/USD	1.3425	1.3446
EUR/KES	150.00	151.50	EUR/USD	1.1715	1.1797
INR/KES		1.4300	USD/INR	91.44	91.00
			AUD/USD	0.7127	0.7110
			Commodities		
			Gold	5360.71	5353.31
			Brent Crude	79.65	77.53

**Benchmark Rates:**

Tenor	Current	Previous	
91 Days	7.5800%	7.5899%	
182 Days	7.800%	7.7500%	
364 Days	8.7893%	8.9010%	
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 rose for a third day on Tuesday as the widening U.S.-Israeli conflict with Iran and threats to shipping through the Strait of Hormuz heightened fears of supply disruptions from the key Middle East producing region.

**Asia-Pacific markets:** Most Asian stocks fell further on Tuesday as hostilities between the U.S., Israel, and Iran showed few signs of ceasing, with South Korean markets leading losses in catch-up trade after a long weekend. Losses in Chinese markets were relatively muted as investors awaited more signals on stimulus from a series of upcoming economic policy meetings, while Hong Kong benefited from gains in energy and tech shares.

**International Markets**

**USD:** The U.S. dollar on Monday surged to over a five-week high after U.S. and Israeli strikes on Iran raised demand for safe-haven assets.

**GBP:** GBP/USD edges higher after three days of losses, trading around 1.3400 during the Asian hours on Tuesday. The technical analysis of the daily chart indicates an ongoing bearish bias, as the pair trades within a descending channel pattern

**EUR:** The EURUSD pair trades flat at around 1.1680 during the Asian trading session on Tuesday, but broadly seems vulnerable, being close to its five-week low. The major currency pair is under pressure as surging oil prices due to the United States (US)-Israel war with Iran have increased the risks of higher inflation for the Old Continent

**INR:** USD/INR markets closed for holiday today, to reopen tomorrow, The pair closed at 91.56 yesterday, bullish bias intact, Implied last indicated at 91.70; NDFs last at 91.92-92.0, High oil prices on Iran war adds to bearish INR outlook, USD/INR eyes 92.0 break, rally may have legs towards 93 on prolonged ME war.

Source: Reuters.

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