

# 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 128.80/129.50

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

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	128.80	129.50			
GBP/KES	171.80	173.50	GBP/USD	1.3396	1.3550
EUR/KES	150.00	151.50	EUR/USD	1.1680	1.1765
INR/KES		1.3660	USD/INR	95.25	95.05
			AUD/USD	0.7193	0.7290
			Commodities		
			Gold	4584.67	4702.62
			Brent Crude	107.03	106.34

**Benchmark Rates:**

Tenor	Current	Previous	
91 Days	8.3176%	8.1895%	
182 Days	8.2123%	8.2100%	
364 Days	8.5631%	8.5145%	
KES INFLATION	5.6%	4.4%	
KES CBR	8.75%	9.00%	
FED RATE	3.75%	3.75%	
ECB RATE	2.00%	2.40%	
BOE RATE	3.75%	4.00%	
RBI RATE	5.25%	5.25%	

**Top News**

**Oil:** Oil gained more than 1% after President Donald Trump said he would not be much more patient with Iran and as concerns persisted over ship attacks and seizures despite Tehran saying about 30 vessels had passed through the Strait of Hormuz.

**Asia-Pacific markets:** Most Asian stocks fell on Friday as chipmaking stocks were pressured by doubts over the U.S. allowing more sales to China, with focus remaining squarely on an ongoing summit in Beijing. Chinese markets steadied near multi-year highs as markets sought more details on talks between President Xi Jinping and U.S. President Donald Trump.

**International Markets**

**USD:** The U.S. dollar firmed on Thursday, as traders this week upped their bets for interest rate hikes from the Federal Reserve later this year after inflation and retail sales data. Meanwhile, President Donald Trump's visit to China grabbed the spotlight, with market participants hoping for breakthroughs on trade, artificial intelligence, and possibly the Iran war.

**GBP:** The GBP/USD pair faces some selling pressure near 1.3365 during the Asian trading hours on Friday. The British Pound weakens against the US Dollar (USD) amid political uncertainty in the United Kingdom (UK) and risk-off sentiment.

**EUR:** The EUR/USD pair trades in negative territory near 1.1660 during the early Asian session on Friday. The US Dollar edges higher against the Euro (EUR) as surging US inflation, linked to Middle East tensions, reinforces expectations that the US Federal Reserve (Fed) will keep interest rates higher for longer or potentially hike them

**INR:** The Indian rupee, which has been sliding to new lows in recent sessions, is expected to remain under pressure on Friday, with rising U.S. Treasury yields boosting the dollar and compounding the already significant strain from high crude oil prices.

Source: Reuters.

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