

# 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 129.10/129.80

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

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	129.10	129.80			
GBP/KES	172.60	174.50	GBP/USD	1.3430	1.3446
EUR/KES	149.50	151.60	EUR/USD	1.1645	1.1684
INR/KES		1.3510	USD/INR	95.90	95.80
			AUD/USD	0.7135	0.7164
			Commodities		
			Gold	4477.45	4539.35
			Brent Crude	110.66	110.34

**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 prices eased on Wednesday after U.S. President Donald Trump again asserted the war with Iran will end "very quickly", though investors remain wary about the outcome of peace talks amid continued disruptions to Middle East supply from the conflict. Brent crude oil futures fell 45 cents, or 0.4%, to \$110.83 a barrel by 0050 GMT, while U.S. West Texas Intermediate futures were down 27 cents, or 0.3%, to \$103.88.

**Asia-Pacific markets:** Asian stocks fell in broad-based selling on Wednesday, with technology shares tracking overnight losses on Wall Street as investors turned cautious ahead of chip giant Nvidia's quarterly earnings later in the day.

**International Markets**

**USD:** The U.S. dollar ticked up on Tuesday, fueled by higher rates sparked by a resumption in a bond sell-off, along with safe haven demand as Washington and Tehran remained far apart on any peace deal.

**GBP:** GBP/USD stays defensive below 1.3400 in early Europe on Wednesday, awaiting the UK Consumer Price Index (CPI) inflation data for a fresh trading impetus. A broadly stronger US Dollar and risk aversion keep the Pound Sterling undermined amid looming UK political uncertainty.

**EUR:** EUR/USD trades vulnerably close to two-month lows near 1.1600 in the early European hours on Wednesday. The pair faces headwinds as the US Dollar holds firm due to the combined effect of the risk-aversion market theme and rising United States Treasury Yields, courtesy of the US-Iran uncertainty. FOMC Minutes is next of note for the major.

**INR:** The Indian rupee fell to a record low on Wednesday as a deadlock in U.S.-Iran peace talks kept oil prices elevated, fueling worries of a global inflation surge that have ramped up bets on rate hikes, lifting bond yields and weighing on equities. The rupee fell to 96.96 per dollar, breaching its all-time low of 96.6150 hit in the previous session. The currency is down 6% since the Iran war began in late February.

Source: Reuters.

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