

# 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 129.30/130.20

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

| Currency | Buying | Selling | Currency    | Today   | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES  | 129.30 | 130.20  |             |         |          |
| GBP/KES  | 173.70 | 175.45  | GBP/USD     | 1.3500  | 1.3463   |
| EUR/KES  | 150.00 | 151.70  | EUR/USD     | 1.1680  | 1.1647   |
| INR/KES  |        | 1.3710  | USD/INR     | 95.00   | 95.45    |
|          |        |         | AUD/USD     | 0.7188  | 0.7163   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 4554.01 | 4529.16  |
|          |        |         | Brent Crude | 97.84   | 104.67   |

**Benchmark Rates:**

| Tenor         | Current | Previous |  |
|---------------|---------|----------|--|
| 91 Days       | 8.3865% | 8.3176%  |  |
| 182 Days      | 8.2113% | 8.2123%  |  |
| 364 Days      | 8.5881% | 8.5631%  |  |
| 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 fell sharply in Asian trade on Monday, with Brent breaking below \$100 a barrel amid growing hopes for a U.S.-Iran peace deal.

**Asia-Pacific markets:** Asian stocks climbed on Monday, with Japanese shares hitting record highs tracking Wall Street's chipmaker gains, while a possible U.S.-Iran peace agreement boosted risk appetite. Wall Street futures also strengthened in Asian hours, with Nasdaq futures rising more than 1% as investors continued rotating into artificial intelligence and semiconductor shares following upbeat earnings and guidance from U.S. chipmakers. stock markets will remain closed on Monday for a public holiday.

**International Markets**

**USD:** The dollar softened on Monday, while Asian currencies strengthened as encouraging comments on a potential U.S.-Iran peace deal helped spruce up risk appetite. Trading volumes were muted on account of holidays in the U.S., Hong Kong, and South Korea.

**GBP:** The GBP/USD pair is up 0.35% to near 1.3480 during the Asian trading session. The Cable trades firmly as market sentiment for riskier assets has improved significantly due to increased hopes of a deal between the United States and Iran. In the Asian trade, S&P 500 futures jump 0.85% to near 7,540, reflecting strong investors' appetite for risk-sensitive assets. The US Dollar Index trades 0.3% lower to near 99.00

**EUR:** The EUR/USD pair opens with a bullish gap at the start of a new week as renewed optimism over a potential US-Iran peace deal weighs heavily on the safe-haven US Dollar. Spot prices climb back closer to mid-1.1600s during the Asian session, though the broader setup warrants some caution before positioning for an extension of a modest recovery from the lowest level since April 7, around the 1.1575 region

**INR:** The Indian rupee on Monday extended its two-session rally as prospects of a deal between the US and Iran boosted risk appetite.

Source: Reuters.

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