

# 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 129.00/129.80

### Indicative FX rates as at 8.30am:

| Currency | Buying | Selling | Currency    | Today   | Previous |
|----------|--------|---------|-------------|---------|----------|
| USD/KES  | 129.00 | 129.80  |             |         |          |
| GBP/KES  | 172.50 | 174.20  | GBP/USD     | 1.3430  | 1.3474   |
| EUR/KES  | 149.00 | 150.40  | EUR/USD     | 1.1610  | 1.1645   |
| INR/KES  |        | 1.3825  | USD/INR     | 94.25   | 94.15    |
|          |        |         | AUD/USD     | 0.7074  | 0.7098   |
|          |        |         | Commodities |         |          |
|          |        |         | Gold        | 4318.36 | 4309.40  |
|          |        |         | Brent Crude | 82.59   | 83.64    |

### Benchmark Rates:

| Tenor         | Current | Previous |  |
|---------------|---------|----------|--|
| 91 Days       | 8.8715% | 8.5588%  |  |
| 182 Days      | 8.6006% | 8.5252%  |  |
| 364 Days      | 8.7067% | 8.7629%  |  |
| 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 rebounded on Tuesday on concerns about the lack of details in a preliminary agreement ending the war between the U.S. and Iran and the realization the resumption of supply through the key Strait of Hormuz may take longer than thought.

**Asia-Pacific markets:** Asian stocks were a mixed bag on Tuesday with Japanese markets hitting record highs after the Bank of Japan raised interest rates as expected. Australian shares were little changed after the Reserve Bank of Australia kept rates on hold, as expected.

### International Markets

**USD:** The U.S. dollar eased on Monday after Washington and Iran said they had reached an interim peace deal. The news dented safe-haven demand and boosted risk sentiment, sending equities higher and oil prices and Treasury yield lower.

**GBP:** GBPUSD loses ground after registering minor gains in the previous day, trading around 1.3400 during the Asian hours on Tuesday. The pair inches lower as the US Dollar (USD) receives support from the market caution ahead of further developments regarding US-Iran peace talks

**EUR:** The EUR/USD pair trades in positive territory around 1.1590 during the early Asian session on Tuesday. A deal to reopen the Strait of Hormuz spurred a rally in riskier assets such as the Euro against the US Dollar. Traders await the US Federal Reserve interest rate decision later on Wednesday.

**INR:** The rupee appreciated 5 paise to 94.53 against the US dollar in early trade on Tuesday, as a sharp decline in oil prices and easing West Asia tensions have shifted the near-term bias in favor of the domestic unit.

Source: Reuters.

For further enquiries, kindly call: Joseph Nyamache /Daniel Yegon, Direct Lines: +254 111 030 600/626/681.

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