

## DOMESTIC NEWS

Kenya's shilling held steady on Thursday, with dollar inflows and importer demand staying low. Commercial banks quoted the shilling at 129.00/40 per dollar, the same as Wednesday's closing rate. (Refinitiv).

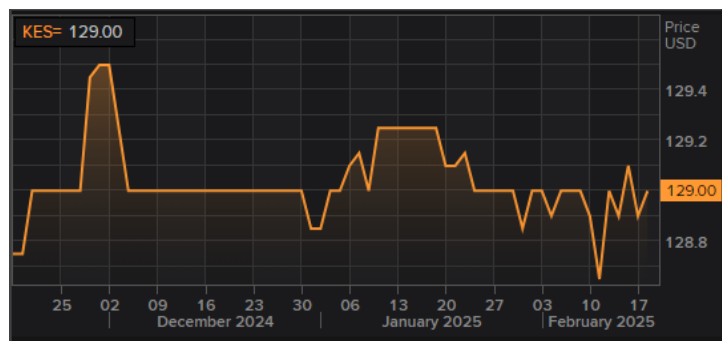
The Nairobi Securities Exchange (NSE) has sustained a market rally, boosting investor wealth by KSh 137 billion in two months. Market capitalization rose by 7.1% to KSh 2.1 trillion, driven by gains in key sectors and speculative trading ahead of the earnings season. The NSE All Share Index (NASI) increased by 7.0% to 132.13 points, while the NSE 20 Share Index surged by 14.4% to 2300.17. NSE CEO Frank Mwitii unveiled a strategy to attract 9 million retail investors, including the diaspora, to revitalize the market and enhance participation. (Business Daily)

On other local news, Private hospitals have resumed Social Health Authority (SHA) services after President William Ruto directed partial payment of the government's outstanding debt to the facilities. The Rural and Urban Private Hospitals Association of Kenya (Rupha) lifted the suspension following the President's commitment to settle the KSh 33 billion debt inherited from the defunct NHIF. While claims above KSh 10 million require verification, Rupha urges Parliament to approve the supplementary budget and the government to disburse at least KSh 10 million upfront to affected facilities. Rupha warns of potential service suspensions if payments are delayed, or verification lacks transparency. (Business Daily)

### Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
<b>USD/KES</b>	124.15	134.15	124.15	134.15
<b>GBP/KES</b>	162.38	175.38	161.58	176.28
<b>EUR/KES</b>	134.69	148.59	134.99	151.49
<b>AED/KES</b>	31.16	44.16	33.16	44.66

Amounts > 10 million		Amounts >100,000
KES		USD
<b>2 Weeks</b>	6.50%	1.50%
<b>1 Month</b>	6.75%	2.25%
<b>3 Months</b>	7.00%	2.75%
<b>6 Months</b>	7.25%	3.00%
<b>1 year</b>	7.50%	3.50%



**USD movement from December 2024 – Date** (Source: Reuters)

## INTERNATIONAL NEWS

The U.S. dollar weakened to a four-month low amid uncertainty over trade tariffs. The Dollar Index fell 0.1% to 104.180 after President Trump granted a one-month exemption for U.S. automakers from tariffs on Canada and Mexico and considered exempting agricultural goods. This eased concerns about trade disruptions, boosting risk appetite and reducing demand for the dollar. Analysts noted that the exemptions helped strengthen the Canadian and Mexican currencies while preventing the dollar from benefiting from the tariffs.

The euro surged to a four-month high, with EUR/USD rising 0.2% to 1.0809 after Germany announced plans to loosen fiscal rules and introduce a €500 billion infrastructure fund. This sparked a sharp selloff in German bunds and other EU sovereign bonds amid expectations of higher deficits, inflation, and growth. The euro has rallied over 3% in two sessions and is on track for its best week since March 2009. However, the European Central Bank's policy decision could influence the trend, with traders closely watching President Christine Lagarde's comments for signals on future rate cuts.

GBP/USD edged higher to 1.2898, climbing to levels last seen in November last year.

In Asia, the USD/JPY pair fell 0.6% to 148.07, hitting a near five-month low as demand for the safe-haven yen surged due to rising trade tensions.

USD/CNY fell 0.1% to 7.2426 as the Chinese yuan strengthened after Beijing signaled plans for increased fiscal spending to boost consumption and economic growth. However, a lack of details on the measures left markets uncertain about China's economic outlook.

Oil prices held steady but are set for their biggest weekly drop since October due to U.S. tariff uncertainty and rising supply. Brent rose to \$69.63, and WTI to \$66.48, but both fell nearly 5% this week. OPEC+ plans to boost output, adding to oversupply concerns, while U.S. actions against Iran could limit its oil exports. Market volatility and economic uncertainty continue to pressure prices.

Gold prices edged higher as the U.S. dollar weakened to a four-month low following President Trump's decision to delay auto tariffs on Canada and Mexico. Spot gold rose 0.1% to \$2,921.42 per ounce, while April gold futures gained 0.1% to \$2,929.49. The softer trade stance boosted gold's appeal as a safe-haven asset, while a weaker dollar made it more attractive to investors. Markets remain cautious ahead of U.S. payroll data, which could influence the Federal Reserve's interest rate decisions. (investing.com).

### Indicative Cross Rates

	Bid	Offer
<b>EUR/USD</b>	1.0615	1.1017
<b>GBP/USD</b>	1.2686	1.3092
<b>USD/ZAR</b>	16.1450	20.1575
<b>USD/AED</b>	3.6525	3.6930
<b>USD/JPY</b>	145.60	149.62