

A subsidiary of Dubai Islamic Bank PJSC TREASURY MARKET UPDATE 30TH APRIL 2025

DOMESTIC NEWS

The Kenyan Shilling remained stable against the U.S. Dollar in early Tuesday trading, with commercial banks quoting it at 129.00/129.50 unchanged from Monday. Traders reported minimal market activity on both the demand and supply sides. (Refinitiv).

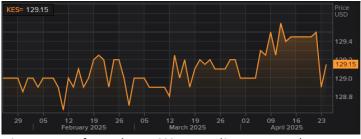
The U.S. has named Kenya as a major market for counterfeit goods in its 2025 Special 301 Report, blaming weak intellectual property enforcement. Counterfeit items—such as electronics, medicines, and clothing—mainly come from China, India, Turkey, and Vietnam, often passing through hubs like the UAE and Singapore. These fakes pose health risks, hurt U.S. companies, reduce tax revenues, and undermine investment. Kenya's Anti-Counterfeit Agency fell short of inspection and registration targets due to system failures and budget cuts. The U.S. warns of possible trade enforcement actions and calls for tougher global and online anticounterfeiting measures.

In other local news, Kenya has ruled out returning to global capital markets in 2025 due to rising borrowing costs caused by global financial uncertainty and trade tensions, particularly from U.S. tariff policies. The Central Bank of Kenya (CBK) stated the earliest possible return via Eurobond issuance would be in 2026. Kenya's last issuance in February 2025 raised \$1.5 billion at a 9.5% interest rate, used mainly to manage existing debt, including a partial buyback of the 2027 Eurobond. The CBK credited the timing for avoiding exclusion from the markets, while the IMF warned of increased borrowing costs globally due to tighter financial conditions. (Business Daily).

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	127.50	131.50	127.50	131.50
GBP/KES	170.00	176.00	170.00	176.00
EUR/KES	144.50	150.00	144.50	150.00
AED/KES	34.00	37.00	34.00	37.00

Amounts > 10 million		Amounts >100,000	
	KES	USD	
2 Weeks	5.00%	1.50%	
1 Month	5.50%	2.25%	
3 Months	6.00%	2.50%	
6 Months	6.25%	2.75%	
1 year	6.50%	3.00%	



USD movement from February 2025 – Date (Source: Reuters)

INTERNATIONAL NEWS

The U.S. dollar edged slightly higher on Tuesday but remains on track for its steepest monthly drop since November 2022, down about 4.6%, due to ongoing tariff uncertainty and concerns over a U.S. economic slowdown. The Dollar Index rose 0.2% to 98.962, staying near a three-year low. Market sentiment was briefly lifted by reports that the Trump administration may ease automotive tariffs, but conflicting signals on trade negotiations with China continue to unsettle investors. Analysts expect the dollar to remain volatile, with key economic data—including job numbers, GDP figures, and inflation metrics—set to influence its direction this week.

The euro weakened slightly, with EUR/USD down 0.2% to 1.1395, despite a modest improvement in German consumer sentiment. ECB official Piero Cipollone warned a global trade war could trigger a recession, reinforcing expectations for another ECB rate cut in June. Analysts suggest EUR/USD may stabilize or rise, possibly retesting 1.150. The British pound dipped 0.1% to 1.3423, just below a three-year high, as the U.S. dollar remained generally weak.

The Japanese yen slipped, with USD/JPY up 0.3% to 142.42, ahead of a Bank of Japan meeting where rates are expected to stay unchanged despite recent inflation spikes. USD/CNY dropped 0.4% to 7.2647 before China's PMI release, while USD/CAD was flat at 1.3841 after Canada's ruling party won re-election without securing a majority.

Oil prices continued to fall on Wednesday, heading for their biggest monthly drop since November 2021 due to reduced fuel demand expectations from the ongoing U.S.-China trade war and growing supply concerns. Brent crude fell 1.12% to \$63.53, while WTI crude dropped 1.16% to \$59.71. Brent and WTI are down 15% and 16% respectively this month. The declines accelerated after U.S. President Trump imposed tariffs on all U.S. imports, prompting retaliatory levies from China, raising fears of a global recession.

Gold prices fell over 1% in Asian trading on Tuesday after reports suggested the Trump administration might soften the impact of auto tariffs, reducing demand for safe-haven assets. Investors are now awaiting key U.S. economic data, especially the Fed's preferred inflation measure — the PCE price index. Spot gold dropped 1.1% to \$3,308.93 per ounce, while June gold futures fell 0.8% to \$3,322.55 an ounce.

(investing.com).

Indicative Cross Rates					
	Bid	Offer			
EUR/USD	1.1168	1.1571			
GBP/USD	1.3185	1.3589			
USD/ZAR	16.5585	20.5641			
USD/AED	3.6528	3.6933			
USD/JPY	140.63	144.68			

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