

## DOMESTIC NEWS

Kenya's shilling remained stable against the U.S. dollar on Tuesday, with commercial banks quoting it at 129.00/129.50 per dollar, unchanged from Monday's close. The currency showed resilience amid balanced market demand and supply conditions. (Refinitiv).

Traders in Nairobi's central business district have enhanced security around their business premises ahead of planned demonstrations marking the anniversary of the 2024 Gen-Z protests, which resulted in the deaths of over 60 youths. In anticipation of possible unrest and looting, many have installed metal grills, alarm systems, and hired private security to safeguard their property. The heightened caution follows previous incidents of destruction and theft during protests, prompting traders to take preventive measures to avoid further losses as the city braces for renewed demonstrations.

The National Treasury has launched its first bond sale of the 2025/2026 fiscal year, seeking Sh50 billion as part of its plan to raise Sh635.5 billion from the domestic market to finance a Sh923.2 billion budget deficit. The government is reopening 20- and 25-year bonds with attractive interest rates to tap into strong investor demand, following the oversubscription of the June bond auction. The projected deficit is lower than the current year's Sh997.5 billion, reflecting efforts to moderate borrowing despite previous upward revisions. (Business Daily).

### Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
<b>USD/KES</b>	127.50	131.50	127.50	131.50
<b>GBP/KES</b>	171.00	179.50	171.00	179.50
<b>EUR/KES</b>	145.00	153.00	145.00	153.00
<b>AED/KES</b>	34.00	37.00	34.00	37.00

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



**USD movement from April 2025 – Date** (Source: Reuters)

## INTERNATIONAL NEWS

The U.S. dollar fell on Tuesday after President Donald Trump announced a ceasefire between Israel and Iran, easing geopolitical tensions and triggering a global risk-on sentiment. The Dollar Index slipped 0.3% to 97.752, reversing recent safe-haven gains as markets responded to the end of a 12-day conflict that had supported the greenback. The de-escalation also led to a sharp drop in oil prices. Investors are now turning their focus to Federal Reserve Chair Jerome Powell's testimony before Congress, where he is expected to face pressure over the Fed's decision to hold rates steady amid Trump's calls for aggressive cuts.

EUR/USD gained 0.1% to 1.1591, supported by falling oil prices, which benefit the EU as a major energy importer, and improved German business sentiment. The Ifo business climate index rose to 88.4 in June, signaling stronger future prospects. Meanwhile, GBP/USD jumped 0.7% to 1.3596 after UK grocery price inflation hit a 15-month high of 4.7%, raising doubts over potential Bank of England rate cuts.

In Asia, the yen rebounded with USD/JPY falling 0.8% to 144.97, while traders await Tokyo inflation data for policy direction. The Chinese yuan remained steady, with USD/CNY easing to 7.1780 after the central bank held lending rates unchanged.

Oil prices rose on Wednesday as markets reacted to the Israel-Iran ceasefire, though gains were capped by expectations that global crude supply would remain stable. Brent crude increased by 1.3% to \$67.99 a barrel, and WTI rose 1.4% to \$65.24, rebounding slightly from multi-week lows. Prices had previously spiked after U.S. strikes on Iranian facilities but have since eased amid signs of de-escalation and sufficient global supply, according to JP Morgan analysts.

Gold prices fell over 1% in Asian trading on Tuesday as investors moved away from safe-haven assets following U.S. President Donald Trump's announcement of a ceasefire between Israel and Iran. Spot gold dropped 1.1% to \$3,332.57 an ounce, its lowest since June 11, while August gold futures declined 1.4% to \$3,346.02 per ounce.

(Investing.com).

### Indicative Cross Rates

	Bid	Offer
<b>EUR/USD</b>	1.1417	1.1819
<b>GBP/USD</b>	1.3423	1.3826
<b>USD/ZAR</b>	15.7617	19.7700
<b>USD/AED</b>	3.6522	3.6928
<b>USD/JPY</b>	143.43	147.46