

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).

Nationwide protests in 25 Kenyan counties on Wednesday halted business and transport, especially in Nairobi's CBD, causing economic losses estimated at Sh3 billion and five reported deaths. The protests, marking a year since the anti-Finance Bill 2024 demonstrations, also led to Nairobi County losing Sh6 million in parking revenue. Despite the unrest, the Nairobi Securities Exchange gained Sh15.97 billion, though foreign investor withdrawals signaled concern over political risk. The shilling remained stable, supported by Central Bank reserves, while the government's media blackout and Parliament's adjournment drew criticism from media and legal groups.

Collections from the Road Maintenance Levy (RML) rose by Sh29.3 billion to Sh90.54 billion in the nine months to March 2025, following the increase of the levy from Sh18 to Sh25 per litre of fuel. The rise was driven by higher fuel consumption, despite earlier government promises to delay the hike. While the funds are meant to support the maintenance of an expanding road network, motorists continue to complain about poor road conditions, raising questions about the effective use of the increased revenue. (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	172.00	179.50	172.00	179.50
EUR/KES	145.00	153.00	145.00	153.00
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 April 2025 – Date (Source: Reuters)

INTERNATIONAL NEWS

The U.S. dollar edged up 0.2% on Wednesday, with the Dollar Index reaching 97.665, but it remained near multi-week lows as easing tensions between Israel and Iran reduced safe-haven demand. The dollar had initially gained following U.S. strikes on Iran but lost ground after President Trump announced a fragile ceasefire. Although there were minor violations, both countries appeared to halt hostilities, boosting investor risk appetite. Markets are also focused on Fed Chair Jerome Powell's testimony before Congress. He downplayed imminent rate cuts, despite President Trump's pressure, and cited trade tariffs as a key inflation risk. Analysts warn the dollar could weaken further if the Fed turns more dovish or appears less independent.

The euro dipped slightly to 1.1599, as markets reacted to comments from the ECB signaling a pause in rate changes unless inflation shifts significantly. With inflation seen as under control, the ECB is adopting a wait-and-see approach amid U.S. trade uncertainties. The recent euro rally has stalled, and analysts suggest a stronger U.S. economic trigger is needed for further gains.

GBP/USD dropped 0.1% to 1.3613, but still not far from Tuesday's peak of 1.3648, which marked its strongest level since January 2022.

In Asia, the yen weakened, pushing USD/JPY up to 145.31, as easing geopolitical tensions reduced safe-haven demand. The Bank of Japan signaled a cautious stance on rate changes, highlighting concerns about the potential economic effects of U.S. tariffs, while the USD/CNY slipped slightly to 7.1708.

Oil prices edged higher as a larger-than-expected draw in U.S. crude inventories signaled strong demand. Brent crude rose 0.2% to \$67.83, while WTI gained 0.3% to \$65.12. Both benchmarks had risen nearly 1% on Wednesday, rebounding from earlier losses amid cautious optimism over the Iran-Israel ceasefire and Middle East stability.

Gold prices held steady in Asian trade on Thursday, supported by a weaker dollar after President Trump criticized Fed Chair Jerome Powell and pushed for lower interest rates. Spot gold remained near \$3,336.65/oz, while August futures inched up 0.1% to \$3,347.45/oz. Earlier in the week, gold had declined sharply following the Israel-Iran ceasefire, which reduced safe-haven demand. (Investing.com).

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.1478	1.1880
GBP/USD	1.3498	1.3903
USD/ZAR	15.6893	19.6979
USD/AED	3.6523	3.6927
USD/JPY	142.79	146.83