

DOMESTIC NEWS

Kenya's shilling remained stable against the U.S. dollar on Friday, with commercial banks quoting it at 129.00/129.40 per dollar, unchanged from Thursdays close. (Refinitiv).

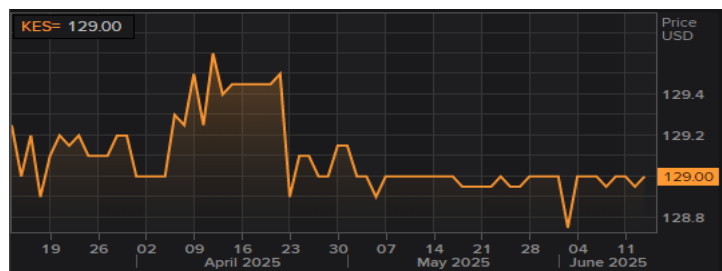
The Finance Act 2025 has amended the Tax Procedures Act to grant the Kenya Revenue Authority (KRA) expanded powers to collect taxes from non-resident persons who are subject to tax in Kenya. This change allows KRA to issue agency notices and compel local agents, banks, and intermediaries to remit payments owed to such non-residents where tax is due, especially in cases involving Kenya-source income like digital services and royalties. While enhancing enforcement in cross-border transactions, the Act retains a critical safeguard barring agency notices if the tax assessment is under active appeal before a court or Tax Appeals Tribunal. (Business Daily)

On other local news, tension is high ahead of Saba Saba as Gen Z protests against poor governance intensify. Businesses have been hit hard, with early closures, reinforced premises, and fears of looting disrupting operations. The protests, sparked by issues like corruption and police brutality, echo the 1990 push for reforms, highlighting deep public frustration and a renewed call for accountability. (Daily Nation).

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	127.50	131.50	127.50	131.50
GBP/KES	173.00	180.00	173.00	180.00
EUR/KES	148.00	155.50	148.00	155.50
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

Asian currencies and the U.S. dollar weakened on Monday as markets awaited clarity on U.S. trade deals amid President Trump's shifting tariff deadlines. The U.S. Dollar Index slipped 0.2% during Asian trading, with futures down 0.1%. Trump announced that tariff letters would be sent to other countries, including a 10% tariff targeting BRICS nations, citing anti-American practices. While new trade agreements are reportedly nearing, uncertainty persists, especially with Trump suggesting tariff rates could rise to 70%. The Australian dollar led losses on expectations of a central bank rate cut.

The EUR/USD rose 0.1% to 1.1774, heading for a 0.5% weekly gain despite weaker-than-expected German industrial orders. The ECB, after eight rate cuts in a year, is expected to pause soon, with concerns emerging over a rapid euro rally. GBP/USD also gained 0.1% to 1.3664, though sterling faces weekly losses due to fiscal concerns following a government policy reversal.

In Asia, the yen rebounded, with USD/JPY down 0.4% to 144.36 after strong household spending data, though it had posted steep losses earlier. USD/CNY edged 0.1% lower to 7.1644 as China announced fresh stimulus to address its declining birth rate.

Gold prices fell in Asian trade on Monday, with spot gold down 0.7% to \$3,312.12 and September futures dropping 0.8% to \$3,320.67. The decline was driven by a steady U.S. dollar and reduced expectations for near-term interest rate cuts following strong U.S. payroll data. President Trump's tariff threats, including new measures targeting BRICS nations, failed to boost safe-haven demand as the tariff deadline was pushed to August 1.

Oil prices slipped on Monday after OPEC+ announced a larger-than-expected output hike of 548,000 barrels per day for August, sparking concerns over increased competition and lower prices. Brent crude fell 0.69% to \$67.83 a barrel, while U.S. WTI dropped 1.42% to \$66.05. The move marks a sharp rise from previous monthly increases and comes amid uncertainty over U.S. tariffs and their potential impact on global economic growth, further dampening demand expectations. (Investing.com).

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.1562	1.1963
GBP/USD	1.3412	1.3814
USD/ZAR	15.7444	19.7404
USD/AED	3.6528	3.6933
USD/JPY	143.07	147.07