

TREASURY MARKET UPDATE 15TH SEPTEMBER 2025

DOMESTIC NEWS

The Kenyan shilling was largely unchanged against the U.S. dollar on Friday, quoted at 129.00/129.40 per USD.

The Energy and Petroleum Regulatory Authority (EPRA) has announced a slight reduction in fuel prices in its latest review released on Sunday, September 14, with Super Petrol, Diesel, and Kerosene dropping by Sh0.79, Sh0.11, and Sh0.80 per litre, respectively; in Nairobi, the new pump prices are set at Sh184.52 for Super Petrol, Sh171.47 for Diesel, and Sh154.78 for Kerosene, effective midnight for the next 30 days. (TheStarKenya)

On other local news, Kenya plans to issue its first sustainability-linked bond in March 2026 to raise \$500 million (Sh65 billion), under a World Bank-backed framework tying investor returns to progress on forest cover and rural electrification. The framework, developed after the 2023 Africa Climate Summit, is nearly complete and awaiting approval. The bond is part of the 2025/26 borrowing plan and will position Kenya among countries like Chile, Uruguay, and Thailand that have raised funds through sustainability-linked debt. (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	178.00	172.00	178.00
EUR/KES	147.00	154.50	147.00	154.50
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 June 2025 – Date (Source: Reuters)

INTERNATIONAL NEWS

The U.S. dollar inched higher on Friday but was headed for a weekly loss as weak labor data and subdued inflation reinforced expectations of a Fed rate cut next week. The Dollar Index rose 0.2% to 97.680 but remained down 0.1% for the week, with markets pricing in a 25-basis-point cut on September 17. Analysts noted cheaper funding costs could weigh further on the greenback, while attention turns to U.S. consumer sentiment and inflation expectations in upcoming data.

The euro strengthened, with EUR/USD rising 0.1% to 1.1740 after the ECB left its key rate unchanged at 2% for a second consecutive meeting. Policymakers struck a confident tone on the economic outlook, easing market expectations for further rate cuts. Meanwhile, the pound slipped, with GBP/USD down 0.2% to 1.3545, after U.K. data showed July GDP was flat, pointing to stagnation following modest growth in the first half of 2025.

In Asia the yen faced a turbulent week, with USD/JPY edging 0.1% higher to 147.36 after sharp swings triggered by the surprise resignation of Prime Minister Shigeru Ishiba. In China, USD/CNY traded marginally higher at 7.1210 but remained lower on the week as weak trade and inflation data overshadowed recent policy support. The Australian dollar advanced to 0.6660, gaining 1.7% over the week, supported by firmer commodity prices, particularly metals.

Gold prices hovered near record highs in Asian trading on Monday, with spot gold at \$3,645.03 per ounce and U.S. futures at \$3,682.70, as expectations of a Fed rate cut later this week supported demand. Bullion rose 1.5% last week, marking a fourth consecutive gain, and is up nearly 40% year-to-date on strong safe-haven flows driven by trade policy uncertainty under President Donald Trump.

Oil prices edged higher Monday, with Brent at \$67.35 and WTI at \$63.05, after Ukrainian drone attacks on Russia's Primorsk terminal and Kirishi refinery raised supply concerns. Analysts said the strikes highlight growing risks to global oil flows, even as OPEC+ plans to boost output keep oversupply worries in play. (Investing.com)

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.1526	1.1928
GBP/USD	1.3364	1.3767
USD/ZAR	15.3714	19.3776
USD/AED	3.6529	3.6931
USD/JPY	145.49	149.53