

### DOMESTIC NEWS

The Kenyan Shilling remained stable against the U.S. dollar in the latest trading session, underpinned by a well-aligned interplay between foreign currency demand and supply.

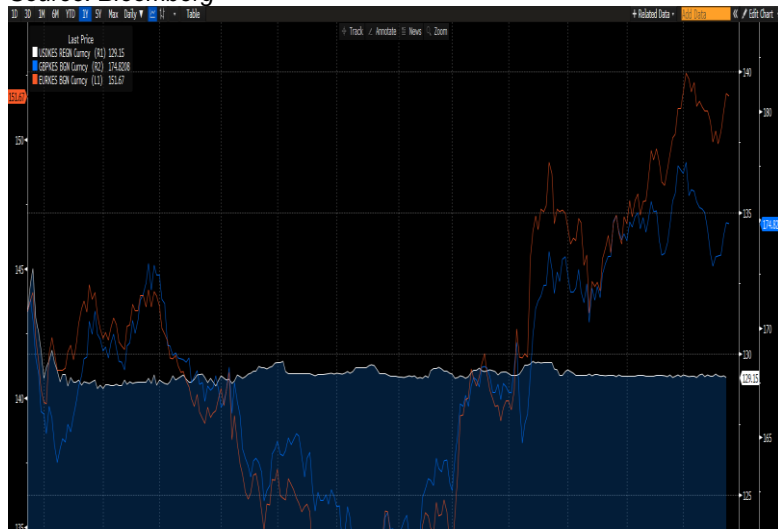
Market participants expect the USD/KES pair to remain range-bound in the near term, with price action largely dictated by the ongoing balance between importer demand for hard currency and inflows from export earnings and diaspora remittances.

In the absence of major external shocks or significant monetary policy adjustments, the domestic unit is projected to maintain its current levels, reflecting resilient underlying fundamentals and broadly stable market sentiment.

Amounts	Spot Rates		Forward Rates		
"100,000"	Opening		USD/KES		
	Buy TT	Sell TT		Buy	Sell
USD/KES	125.00	133.50	1 month	125.70	134.20
EUR/KES	141.61	161.46	3 Months	127.10	135.60
GBP/KES	164.48	182.85	6 Months	129.20	137.70
JPY/KES	80.99	93.00	12 Months	133.40	141.90

Money Market Rates	Previous	Current	Change Bps
Interbank rate	9.61%	9.62%	+0.41
91-Day T-bill	8.1283%	8.1168%	-1.15
182-Day T-bill	8.4310%	8.4186%	-1.24
364-Day T-bill	9.7276%	9.7193%	-0.83
Inflation Rate	3.80%	3.80%	0.00

Source: Bloomberg



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### INTERNATIONAL NEWS

The U.S. dollar posted modest gains on Friday, recovering from two-week lows, as investors recalibrated positions in response to evolving global trade dynamics and ahead of a critical Federal Reserve policy decision. Despite the uptick, the greenback remained subdued within broader ranges. The Federal Reserve is widely expected to leave its benchmark interest rate unchanged at 4.25%–4.50% during its upcoming July meeting. In focus are several high-impact U.S. data releases—namely, the advance Q2 GDP print, the core Personal Consumption Expenditures (PCE) Price Index, and July's Non-Farm Payrolls (NFP) report—all of which are likely to guide market sentiment and drive near-term dollar direction.

The Euro rebounded against the dollar after two consecutive sessions of losses, buoyed by improved trade sentiment. EUR/USD rose after the United States and European Union reached a provisional trade agreement, alleviating concerns of a broader transatlantic trade dispute. The agreement includes the imposition of 15% tariffs on most European exports to the U.S., effective August 1. In response, the European Union pledged not to implement retaliatory measures and committed to a \$600 billion investment in the U.S., according to European Commission President Ursula von der Leyen.

The British pound clawed back some losses, with GBP/USD snapping a two-day losing streak. The recovery, however, lacked strong conviction as traders remained cautious ahead of the upcoming Bank of England decision and key economic data. Positive risk sentiment stemming from the U.S.–EU trade deal contributed to a weaker dollar, lending support to the pair. Nonetheless, market participants are increasingly pricing in a potential rate cut by the Bank of England in August, which may limit further upside for sterling in the near term.

In the early Asian market today, USD/JPY traded 0.5% higher, after data on Friday showed that Tokyo consumer price index inflation eased more than expected in July, even as the core measure remained above the BOJ's target. The central bank is expected to hold interest rates steady next week amid U.S. tariffs and domestic political flux.

Indicative Deposit Rates				
Amounts > KES 20 million	Amounts > 100,000			
	Tenor	KES	USD	EURO
Call	6.10%	0.05%	0.10%	
1 month	5.20%	0.10%	0.15%	
3 months	5.20%	0.15%	0.25%	
6 months	5.65%	0.20%	0.30%	

Indicative Cross Rates		
CCY	Buy	Sell
EUR\USD	1.1000	1.2200
GBP\USD	1.2900	1.4000
USD\JPY	140.00	154.00
USD\CHF	0.7700	0.8800