



**DOMESTIC NEWS**

Kenya shilling was broadly stable on Friday supported by foreign currency inflows from the diaspora and slowing domestic dollar demand from business ahead of the August election.

Commercial banks quoted the shillings at 118.00/118.20 per dollar same as Wednesdays close. So far this year the local currency has lost 4.1% against the greenback.

In other local news in the market Nairobi Securities Exchange (NSE) gave investors the second-lowest return among its African peers in the first half of the year, weighed down by exposure to foreign investors who have been fleeing to developed markets due to the Russia-Ukraine crisis.

The NSE said in its Quarter Two performance that trends across the globe pointed to equities shedding value, apart from a few isolated markets.

Among the stock markets that are classified as tier two in Africa — Kenya, Egypt, Nigeria, Morocco, and Tunisia — NSE’s return of negative 22.3 percent in the six months to June only bested Egypt’s negative 27.3 percent.

**Indicative Forex Rates**

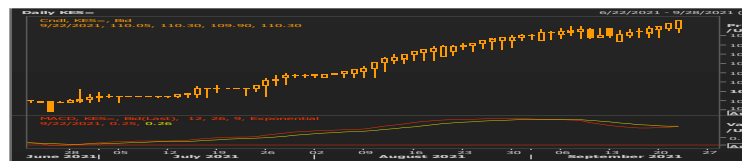
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	115.20	127.25	114.25	126.25
GBP/KES	130.20	153.80	135.50	150.30
EUR/KES	112.10	132.42	113.82	132.42
AED/KES	28.19	42.19	30.19	37.69

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.890%	5.890%	0.000
91-Day T-bill		8.167%	8.097%	0.070
182-Day T-Bill		9.253%	9.196%	0.057
364-Day T-Bill		9.980%	9.985%	- 0.005
Inflation		7.910%	7.080%	0.830
CBR RATE		7.500%	7.000%	0.500

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	3.04843	0.03713	2.28840
12 months	3.64486	-	-

(Source: Reuters)



**INTERNATIONAL NEWS**

The U.S. dollar hit a fresh two-decade peak versus major peers on Tuesday, hoisted by safety bids and expectations of further aggressive rate hikes by the Federal Reserve, while the euro was pinned close to a 20-year low near parity to the greenback.

The dollar index, a measure against six counterparts, with the euro most heavily weighted, was 0.25% higher at 108.43. It had earlier climbed to 108.47, its highest since October 2002.

According to an analyst at maybank, "Haven demand for USD, coupled with an upside surprise in last Friday’s payrolls release, likely contributed to the latest bout of dollar strength”.

That dollar bullishness was showcased across much of the currency markets, with the euro falling as low as \$1.0006 on Tuesday, the weakest since December 2002. It last changed hands down 0.29% at \$1.0013. Sterling was similarly down 0.25% to \$1.18645, after earlier sinking to a fresh two-year low at \$1.186.

In the commodities market, Oil was down on Tuesday morning in Asia as demand concerns spurred as China discovered cases of highly infectious BA.5 omicron sub-variant. Brent oil futures retreated 1.56% to \$105.43 by 12:44 AM ET (0444 GMT) and crude oil WTI futures fell 1.67% to \$102.34 .

Gold on the other hand was up on Tuesday morning in Asia, but moves were small as the U.S. dollar continued to strengthen to its highest level in 20 years. Gold futures inched up 0.04% to \$1,732.45 by 11:37 PM ET (0337 GMT). In the previous session, gold prices dropped to their lowest level since Sept. 30 of \$1,730.42 per ounce. The dollar, which normally moves inversely to gold, gained on Wednesday morning. Benchmark U.S. 10-year Treasury yields steadied after a dip on Monday.

Indicative Profit Rates on Deposits		
	Amounts > 10 million	Amounts >100,000
	KES	USD
2 Weeks	6.00%	0.35%
1 Month	6.55%	0.55%
3 Months	7.00%	0.80%
6 Months	7.50%	1.25%
1 year	8.00%	1.75%

Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.0000	1.0215
GBP/USD	1.1624	1.2025
USD/AED	3.6527	3.6931
USD/JPY	135.85	139.05