

GLOBAL MARKETS

DAILY MARKET NEWS



Friday, March 27, 2026

Domestic Market Developments

Thursday's session saw the local currency soften further against the greenback as a consequence of gradual but persistent foreign currency appetite.

The USDKES pair's price action was skewed to the upside as dollar demand dominated the counters. A mid-morning buying spree saw the domestic unit cede ground to the greenback as flows subsequently evened out across the counters later in the session. Ahead of the weekend, market chatter alludes to range bound trading, as the demand-supply dynamic continues to dictate the USDKES trajectory.

International News

The US Dollar Index rallied 0.30% on Thursday, climbing from a session low as the Greenback continued to attract safe-haven interest for a third consecutive trading day. Iran's formal rejection of Washington's 15-point ceasefire proposal on Tuesday further hardened risk-off sentiment. Tehran issued its own list of five counter-demands, including war reparation payments and recognition of Iranian sovereignty over the Strait of Hormuz.

The Strait remains effectively closed to Western-allied vessels, and shipping analysts see little prospect of routine commercial transit resuming before year-end. Furthermore, markets now expect the Fed to keep interest rates on hold through 2026, with the central bank already navigating a difficult policy backdrop as inflation remains above the 2% target.

Eurozone & UK markets

The Euro edged 0.26% lower against the US Dollar, extending losses for a third consecutive day as ongoing geopolitical tensions surrounding the US-Israel war with Iran keep the Greenback firmly bid across the board.

GBP/USD slipped 0.1% on Thursday, as the BoE held rates unanimously at 3.75% earlier in March, warning the Iran conflict could push CPI to 3.5% in the coming quarters. Today's UK retail sales and UoM inflation expectations could set the tone for both sides of the pair.

Japan market

USD/JPY retreated from the vicinity of the YTD peak, as intervention fears underpinned the yen. However, concerns that the war-driven surge in energy prices would weigh on Japan's trade balance and BoJ rate hike uncertainty might cap any meaningful JPY appreciation.

Short-end market Rates

Country				
91 Day T-Bill	7.43%	10.11%	4.85%	8.19%
182 Day T-bill	7.83%	11.66%	5.75%	8.37%
364 Day T-bill	8.28%	12.50%	6.17%	8.66%
Inflation Rate	4.40%	3.20%	3.30%	8.90%
Interbank	8.71%	9.97%	6.00%	7.00%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	140.56	164.09
GBP	162.28	183.38
CHF	155.87	173.49
JPY	75.09	86.53
ZAR	6.41	9.92
CAD	87.10	100.22
UGX	0.0267	0.0500
TZS	0.0434	0.0654
AED	33.35	38.87
RWF	0.0683	0.1294

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	GBP	
Call	2.85%	0.75%	0.0%	
1 month	4.45%	1.90%	0.0%	
3 months	4.45%	1.90%	0.0%	
6 months	4.60%	1.85%	0.0%	

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