

GLOBAL MARKETS

DAILY MARKET NEWS



Tuesday, May 5, 2026

Domestic Market Developments

The local currency started the week on a steady note against the U.S. dollar, supported by relatively active trading. Activity across the board remained balanced, allowing the Kenya shilling to close unchanged against the dollar.

Market participants expect the USD/KES pair to trade within a narrow range in the near term, as current levels are supported by a delicate balance between corporate demand for hard currency, mainly from importers and multinationals and steady inflows from exporters and diaspora remittances.

International News

The U.S. dollar strengthened as ongoing tensions in the Middle East continued to unsettle investors. The dollar index, which tracks the currency against a basket of peers, rose 0.2% to 98.404. Although it has retreated from the peaks seen right after U.S. strikes on Iran in early March, the index remains supported by the lack of a clear resolution to the conflict.

Eurozone & UK markets

EUR/USD slipped 0.2% after German Chancellor Friedrich Merz attempted to minimize tensions with Trump following the U.S. announcement that it plans to reduce troop levels in Germany. Meanwhile, Germany's economy ministry said on Sunday that Berlin is coordinating with the European Commission during ongoing discussions with Washington, after Trump stated on Friday that tariffs on EU cars and trucks would be raised to 25%.

The British pound was down 0.3% as UK markets were closed on Monday for a public holiday.

Japan market

In early Asian trading, the Japanese yen's USD/JPY traded flat. The yen has languished for years, weighed down by Japan's ultra-low rates and a widening gulf with higher-yielding developed markets, compounded by mounting fiscal unease. The war-driven energy shock has piled on the pressure. A brief spike in the yen on Monday sparked speculation that Japan had once again intervened, especially after officials warned last week of such moves during the Golden week holidays. Japan markets are on holiday until Wednesday.

Short-end market Rates

Country				
91 Day T-Bill	8.04%	10.00%	3.97%	8.31%
182 Day T-bill	8.21%	10.75%	5.36%	8.50%
364 Day T-bill	8.51%	12.00%	5.66%	8.95%
Inflation Rate	5.60%	2.80%	3.20%	7.70%
Interbank	8.75%	10.54%	6.50%	7.30%

Quotes on the major currencies.

		Buys	Sells
	USD	125.00	133.50
	EUR	141.28	162.64
	GBP	163.52	184.31
	CHF	154.05	174.78
	JPY	75.28	86.44
	ZAR	6.11	10.49
	CAD	87.10	101.85
	UGX	0.0269	0.0539
	TZS	0.0429	0.0649
	AED	30.63	41.80
	RWF	0.0511	0.1292

Indicative Deposit rates

Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	GBP
Call	2.85%	0.70%	0.0%
1 month	4.30%	1.90%	0.00%
3 months	4.60%	1.90%	0.00%
6 months	4.70%	1.90%	0.15%

Corporate Sales: Collins M, **Retail Sales:** Hellen M. Direct No: 0711 056 213/629

Director and Head of Sales: Bernard Matimu Direct No: 0711 056 328 213/629



DISCLAIMER: Any opinion or other information in this e-mail is not an invitation to buy or sell any asset class. Legally binding obligations can only arise for or be entered into on behalf of NCBA by means of a written instrument signed by a duly authorized signatory. You are cautioned to ensure that you have made an independent decision in accordance with your own objectives, experience, operational and financial resources and any other appropriate factors including independent professional advice. No guarantee, warranty, or representation is made in respect of the performance or return on any transaction.