

GLOBAL MARKETS

DAILY MARKET NEWS



Thursday, May 14, 2026

Domestic Market Developments

The Kenyan shilling weakened marginally against the U.S. dollar, closing slightly lower than its opening level. Trading activity remained relatively subdued during the morning session; however, increased corporate demand for dollars later in the day exerted pressure on the local currency, resulting in a modest depreciation by the close of trading.

International News

The U.S. dollar appreciated on Wednesday, buoyed by inflation data. The U.S. Labor Department Producer Price Index (PPI) for final demand increased by 1.4% in the previous month, marking the largest monthly rise since March 2022, and exceeding the 0.5% growth forecast by economists. Market attention remained focused on the scheduled discussions in Beijing between U.S. President Donald Trump and Chinese President Xi Jinping. Trump arrived in Beijing accompanied by a delegation that included Elon Musk and Nvidia CEO Jensen Huang. During the meetings, Trump is expected to advocate for expanded access for U.S. businesses within the Chinese market.

Eurozone & UK markets

The Euro struggled for upward momentum on Wednesday. Ongoing disagreements over Tehran's nuclear program and tensions relating to the Strait of Hormuz have contributed to heightened geopolitical uncertainty, thereby creating additional pressure on the EUR/USD pair. German Wholesale Price Index (WPI) printed 2%, higher than economists' forecasts of 1.7%, but this did little to support the Euro.

The GBP/USD weakened on Wednesday. Upside potential for the pair remained constrained amid growing political uncertainty in the UK and persistent geopolitical tensions in the Middle East. Prime Minister Starmer is facing increasing pressure to announce a timeline for his departure following significant losses suffered by the ruling Labour Party in recent elections. The heightened political uncertainty, coupled with rising UK gilt yields, has generated additional pressure on the pound sterling.

Japan market

The USD/JPY currency pair advanced on Wednesday, extending gains into the week. Investor attention also remained focused on the Bank of Japan. Following its April policy meeting, policymakers indicated the possibility of an additional interest rate increase in the future, reflecting expectations of a gradual normalization of Japan's monetary policy framework.

Short-end market Rates

Country				
91 Day T-Bill	8.19%	10.50%	3.83%	8.29%
182 Day T-bill	8.21%	11.00%	5.27%	8.45%
364 Day T-bill	8.51%	12.24%	5.68%	8.83%
Inflation Rate	5.60%	3.00%	4.00%	7.70%
Interbank	8.75%	10.15%	6.29%	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

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	GBP
Call	2.85%	0.70%	0.70%	0.0%
1 month	4.30%	1.90%	1.90%	0.05%
3 months	4.60%	1.90%	1.90%	0.05%
6 months	4.70%	1.90%	1.90%	0.20%

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