

GLOBAL MARKETS

DAILY MARKET NEWS



Thursday, June 4, 2026

Domestic Market Developments

The Kenyan Shilling remained stable against the US Dollar during yesterday's trading session, with the market marked by a balanced interplay between foreign currency demand and supply. Looking ahead, the USD/KES pair is expected to continue trading within a narrow range as prevailing demand and supply conditions shape market direction.

International News

The US Dollar strengthened across the board on Wednesday as escalating tensions in the Middle East and renewed US tariff proposals dampened market sentiment. Against this backdrop, the US Dollar Index posted its largest daily gain in more than two weeks, climbing to a near two-month high despite moderate futures trading volumes.

Meanwhile, oil prices edged higher, with market participants remaining cautious about reports of progress toward ending the U.S.-Israeli conflict involving Iran, citing concerns over the durability of the ceasefire reached between Washington and Tehran in April.

Eurozone & UK markets

The Euro extended its decline against the strengthening US Dollar on Wednesday as escalating tensions in the Middle East heightened fears of a broader regional conflict. Rising concerns over the possibility of a full-scale war drove Oil prices higher and dampened investors' risk appetite. Market sentiment deteriorated further following reports of US strikes on Iran and retaliatory Iranian missile and drone attacks targeting Kuwait and Bahrain, putting a fragile ceasefire under increasing strain.

The British Pound (GBP) fell 0.28% against the US Dollar during Wednesday's North American trading session as escalating exchanges between the US and Iran boosted demand for the safe-haven Greenback. At the same time, US economic data pointed to a resilient labor market and continued business expansion, although the pace of growth showed signs of moderating.

Japan market

USD/JPY failed to sustain gains near a one-month peak and pulled back during Thursday's Asian session as concerns grew that Japanese authorities could intervene once again to support the Yen. Additionally, news of a fresh ceasefire agreement between Israel and Lebanon weighed on the US Dollar, providing further support to the Japanese currency and limiting upside momentum in the pair

Short-end market Rates

Country				
91 Day T-Bill	8.39%	10.50%	3.83%	8.29%
182 Day T-bill	8.25%	11.00%	5.27%	8.45%
364 Day T-bill	8.63%	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	140.61	162.59
GBP	162.33	183.43
CHF	156.03	173.64
JPY	74.81	86.18
ZAR	6.60	10.23
CAD	86.58	99.62
UGX	0.0265	0.0496
TZS	0.0424	0.0638
AED	33.35	38.86
RWF	0.0679	0.1287

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	GBP
Call	2.70%	0.70%	0.70%	0.0%
1 month	4.55%	1.30%	1.30%	0.00%
3 months	4.55%	1.30%	1.30%	0.00%
6 months	4.40%	1.35%	1.35%	0.15%

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