

# GLOBAL MARKETS

## DAILY MARKET NEWS



**Friday, June 5, 2026**

### Domestic Market Developments

The Kenyan Shilling traded steadily, with a slight strengthening bias against the US Dollar on Thursday, supported by balanced market fundamentals. Dollar demand from importers and corporate clients remained subdued, while consistent foreign currency inflows provided additional support to the local currency.

Looking ahead to the weekend, the Shilling is expected to trade within a narrow range, with its near-term direction likely to be influenced by market liquidity conditions and the level of underlying demand for the US Dollar.

### International News

The US Dollar retreated from a two-month high on Thursday as growing optimism over a potential ceasefire in Lebanon reduced demand for safe-haven assets. The US Dollar Index (DXY), which tracks the greenback against a basket of major currencies, declined 0.21% to 99.245 after reaching a two-month peak of 99.56 in the previous session.

### Eurozone & UK markets

EUR/USD edged slightly higher in early European trading on Thursday but stayed close to the previous day's low, reflecting ongoing market uncertainty. The Euro remained under pressure as escalating Middle East tensions pushed energy prices higher, reducing the appeal of energy-importing economies and weighing on the common currency.

The British Pound remains supported by expectations that the Bank of England will raise interest rates later this year, a view that is becoming increasingly difficult to defend. While markets continue to price in the possibility of further tightening, the UK economy is showing signs of weakness and contraction rather than the strong growth and inflationary pressures that typically justify higher borrowing costs.

### Japan market

USD/JPY continued to decline for a second consecutive day during Friday's Asian session, pressured by a stronger Japanese Yen. The Yen gained support amid growing market speculation that Japanese authorities could intervene in the currency market. Meanwhile, Japan's Finance Minister, Satsuki Katayama, reiterated warnings to traders, stressing that the government stands ready to take appropriate measures in the foreign exchange market whenever necessary.

### Short-end market Rates

Country				
91 Day T-Bill	8.56%	10.50%	3.83%	8.29%
182 Day T-bill	8.53%	11.00%	5.27%	8.45%
364 Day T-bill	8.76%	12.24%	5.68%	8.83%
Inflation Rate	6.68%	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%	0.00%
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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