

GLOBAL MARKETS

DAILY MARKET NEWS



Friday, June 26, 2026

Domestic Market Developments

The Kenyan shilling traded steady against the U.S. dollar on Thursday, with the USD/KES exchange rate remaining largely unchanged with balanced demand and supply dynamics in the market.

Trading activity from both importers and exporters remained broadly even throughout the session, helping to keep the USD/KES pair range-bound. In the absence of significant market-moving developments, the exchange rate is expected to remain stable in the near term, with market participants continuing to monitor external factors that could influence the pair.

International News

The U.S. dollar weakened on Thursday, snapping a three-session winning streak, after inflation data came in slightly below expectations, tempering market bets on further Federal Reserve rate hikes. Although the core PCE inflation gauge remained elevated at 4.1% year-on-year, the softer monthly reading and resilient consumer spending weighed on the greenback, with the dollar index falling 0.19% to 101.41. U.S. first-quarter GDP growth was revised higher to an annualized 2.1%, while consumer spending growth was revised down to 0.5%, pointing to stronger overall economic activity but softer household demand. Data from the Labor Department showed weekly initial jobless claims fell by 12,000 to a seasonally adjusted 215,000, below the 225,000 forecast.

Eurozone & UK markets

EUR/USD traded with mild gains as the Greenback softened following the PCE release. On the Eurozone side, German sentiment data offered some support to the Euro, with the GfK Consumer Confidence Survey improving to -29.2.

GBP/USD strengthened 0.25% putting it on track to snap consecutive declines in the wake of the resignation of Prime Minister Keir Starmer on Monday.

Japan market

The Japanese yen hovered near its weakest level in nearly 40 years against the U.S. dollar as markets scaled back expectations for further Federal Reserve rate hikes. Tokyo's core inflation rose in line with forecasts, having little impact on the currency. Tokyo's core inflation accelerated to 1.6% year-on-year in June from 1.3% in May, matching market expectations but remaining below the Bank of Japan's 2% inflation target for a fifth consecutive month.

Short-end market Rates

Country				
91 Day T-Bill	8.83%	10.92%	3.56%	8.27%
182 Day T-bill	8.84%	11.00%	4.92%	8.43%
364 Day T-bill	8.99%	12.00%	6.92%	8.86%
Inflation Rate	6.68%	3.00%	4.20%	11.50%
Interbank	8.75%	9.72%	5.75%	8.30%

Indicative quotes on the major currencies.

	Buys	Sells
USD	126.50	132.00
EUR	139.00	156.70
GBP	161.60	178.30
CHF	151.80	167.80
JPY	74.20	84.00
ZAR	6.70	10.05
CAD	85.65	96.50
UGX	0.0274	0.0513
TZS	0.0426	0.0630
AED	30.65	41.80
RWF	0.0682	0.1284

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	GBP
Call	3.35%	0.35%	0.00%	0.00%
1 month	5.55%	1.55%	0.00%	0.00%
3 months	5.55%	1.55%	0.00%	0.00%
6 months	5.50%	1.60%	0.00%	0.00%

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