GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Monday, July 6, 2026

Domestic Market Developments

Matching flows dominated the majority of Friday's session as the local currency oscillated within a tight range against the dollar. Supply from both corporate and interbank players was amply met by foreign currency demand to see the home unit end the day unchanged.

Ahead of the new week, market chatter alludes to range-bound trading barring any intervening external factors.

International News

The U.S. dollar recorded its biggest weekly loss in 12 weeks on Friday after Thursday's tepid U.S. jobs report cooled market expectations for a near-term Federal Reserve interest rate hike. The dollar fell after U.S. job growth slowed sharply in June and payroll gains for the prior two months were revised lower, prompting traders to trim bets on a near-term Fed rate rise. Markets are pricing in about a 45% chance for a hike at the September meeting, according to the CME FedWatch tool. U.S. Treasuries were closed on Friday for the Independence Day holiday. The dollar index was down 0.2%, after a 0.5% dip on Thursday. It was down 0.5% for the week, the biggest weekly drop since early April.

Eurozone & UK markets

The Euro traded higher for the second consecutive day on Friday against its US counterpart in the aftermath of the disappointing US Nonfarm Payrolls. Beyond that, data from the Eurozone has been Euro-supportive with June's final HCOB Services Purchasing Managers' Index being revised up to a 49.4 reading from the previously estimated 48.9, pushing the Composite PMI up to 50 from the 49.5 reading shown at the preliminary estimates.

The British pound recorded its biggest weekly jump in 12 weeks against the U.S. dollar, helped by easing domestic political risk and soft U.S. labour market data. British markets have shown signs of unease when Andy Burnham, the only Labour lawmaker to say he wants to replace outgoing Prime Minister Keir Starmer, gained support for a possible leadership challenge. But markets did take comfort from Burnham's commitment to the country's existing fiscal rules, which include balancing day-to-day spending with tax revenues and reducing debt as a share of output.

Japan market

Earlier in Asia, the yen continued to recover from 40-year lows as investors remain on alert for possible intervention. Finance Minister Satsuki Katayama said Tokyo was in regular contact with Washington on foreign exchange issues and remained ready to support the yen.

Short-end market Rates

Country	Kenya	Uganda	Tanzania	Rwanda
91 Day T-Bill	8.83%	10.50%	3.60%	8.00%
182 Day T-bill	8.96%	10.70%	4.90%	8.10%
364 Day T-bill	8.99%	12.00%	6.90%	8.60%
Inflation Rate	6.40%	3.20%	4.20%	11.50%
Interbank	8.75%	9.40%	5.80%	8.30%

Indicative quotes on the major currencies.

	Buys	Sells
USD	126.50	132.00
EUR	141.00	156.00
GBP	163.00	178.00
CHF	152.00	167.50
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

Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	GBP
Call	3.35%	0.35%	0.0%
1 month	5.55%	1.55%	0.00%
3 months	5.55%	1.55%	0.00%
6 months	5.50%	1.60%	0.05%

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