GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Tuesday, July 7, 2026

Domestic Market Developments

The movement of Kenya shilling against the U.S. dollar remained constrained within a narrow band on Monday as foreign currency flows matched.

Limited activity across the various counters characterized the session, as key players remained on the sidelines, with the pair closing the day little changed from Friday's print. Moving on, we see the domestic unit trading in a holding pattern against the dollar, as market activity remains subdued across the counters, awaiting fresh factors to guide price direction.

International News

The dollar index edged up on Monday as upbeat risk sentiment and solid U.S. data eased concerns about an economic slowdown after last week's soft payrolls report. The ISM services index eased in June as earlier order-driven gains faded, though the employment index rebounded, signaling labor market stability.

Fed Governor Christopher Waller said forward guidance can help policy transmission but risks problems if applied too rigidly, adding that policymakers remain committed to achieving 2% inflation. Elsewhere, Trump stated that a Ukraine war resolution is closer than many think and will be discussed at this week's NATO summit in Turkey.

Eurozone & UK markets

The euro opened the week on the back foot, with some of the strength post U.S. non-farm payrolls fading. ECB board member Isabel Schnabel said the euro zone economy has not returned to pre-Iran war conditions, with core inflation and price pressures still elevated. While, ECB's Wunsch said the Iran shock appears to have faded with limited second-round effects, adding more tightening may be needed but not significantly, and another move remains possible.

The pound has been one of the strongest-performing G10 currencies since the June by-election, supported by Andy Burnham's commitment to fiscal discipline, which has reinforced confidence in the UK's policy outlook. With Burnham expected to succeed Keir Starmer as prime minister on July 20, expectations of policy continuity have helped lift Cable for eight consecutive sessions.

Japan market

During the Asian session, USD/JPY's bullish momentum continued to remain resilient. Driven by a combination of broad U.S. dollar strength and rising equities weighing on the yen, the pair continues to print long-tailed daily and intraday candles,

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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