GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Wednesday, July 8, 2026

Domestic Market Developments

The home unit gained a tad versus its American counterpart in Tuesday's trading session.

Paltry dollar demand just about matched foreign currency inflows from importers, leaving the USDKES currency pair a mere 5 cents lower by the ring of the closing bell. Devoid of any major market moving events, we expect the shilling to continue trading within recent levels.

International News

The dollar edged higher alongside Treasury yields on Tuesday, drawing modest haven support from Middle East tensions, chip-sector weakness and fresh NATO defense spending commitments. NATO leaders unveiled arms deals worth tens of billions of dollars and look to acquire stockpiles of critical defense materials. While the U.S. Treasury Department revoked a license for Iranian oil sales and warned of consequences over Hormuz actions, though said talks toward a final deal will still continue.

Ahead of next week's U.S. CPI report, New York Fed President John Williams said he is a little less worried about the state of price pressures while noting that inflation is still too high.

Eurozone & UK markets

EUR/USD retreated 0.1% on account of a resurgent buck and firm U.S. yields. Today's release of the June FOMC meeting will be the major driver for the pairs price direction this week.

The British Pound winning streak came to an end during Tuesday's trading session as GBP/USD edged lower. However, Cable remains broadly upbeat, supported by firm hopes that ongoing fiscal principles will continue despite the leadership transition.

Elsewhere, Reform UK leader Nigel Farage said he would quit as a lawmaker to trigger a by-election in his parliamentary seat and would stand for re-election in that vote.

Japan market

Earlier in Asia, USD/JPY consolidated below 162, with higher Treasury yields and oil prices offsetting pressure. Bank of Japan board member Toichiro Asada, the lone dissenter against June's hike, said he needs evidence of demand-driven inflation before backing rate hikes, but faster cost pass-through may support future tightening.

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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