GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Monday, July 13, 2026

Domestic Market Developments

The Kenyan shilling held steady against the U.S. dollar on Friday as foreign exchange market activity remained balanced, with demand and supply flows largely matching each other throughout the trading session. In the near term, the local currency is expected to remain rangebound, notwithstanding significant economic events.

International News

The US Dollar struggled for direction on Friday despite renewed geopolitical tensions. On Friday, US President Trump said in a Truth Social post that Iran had asked to continue talks and that the US had agreed, while reiterating that the ceasefire was "over." Attention now turns to next week's US CPI data, due on Tuesday, which could shape expectations for the Fed's interest rate path in the coming months. On another note, Fed Chair Warsh will testify on Tuesday and Wednesday, giving markets an opportunity to assess how policymakers balance elevated inflation against signs of weaker hiring.

Eurozone & UK markets

EUR/USD traded quietly on Friday, supported by a weaker US Dollar despite soft inflation data from Germany and France. Germany's CPI fell 0.3% MoM while annual inflation held at 2.3%, and France's EU-harmonized CPI declined 0.3% MoM, with annual inflation at 2.0%. The subdued inflation readings suggest price pressures remain contained, reducing the likelihood of further aggressive ECB tightening and limiting the Euro's upside potential.

The Pound Sterling held firm on Friday as risk appetite deteriorated after US President Donald Trump posted on social media that the ceasefire with Iran is over, even though negotiations continue. In the UK, the schedule was also absent, but traders are supporting Sterling amid comments from the former Greater Manchester mayor Andy Burnham, who is set to become the new Prime Minister.

Japan market

Japanese Yen weakened against USD on Monday as Iran tensions and rate gap counter intervention risks. Meanwhile, traders remain on high alert amid growing speculations that Japanese authorities will step in again to prop up the domestic currency. This might hold back the JPY bears from placing aggressive bets and keep the currency pair below a four-decade high, touched earlier this month.

Short-end market Rates

Country				
91 Day T-Bill	8.83%	10.50%	3.60%	8.00%
182 Day T-bill	8.97%	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	140.80	155.50
GBP	163.00	178.00
CHF	153.00	168.00
JPY	74.20	84.00
ZAR	6.70	10.05
CAD	85.70	96.70
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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