GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Tuesday, July 21, 2026

Domestic Market Developments

The Kenyan shilling traded largely unchanged against the U.S. dollar on Monday, supported by a balanced foreign exchange market where steady demand was matched by sufficient supply. Strong inflows from export earnings and remittances helped offset corporate demand for U.S. dollars.

Looking ahead, the USD/KES exchange rate is expected to remain within a narrow range, with fluctuations likely to be influenced primarily by foreign exchange flows unless significant economic events or notable shifts in market demand arise.

International News

The US Dollar strengthened on Monday as investors assessed mixed signals surrounding the conflict involving Iran. Markets remained hostage to Middle East tensions, with oil prices experiencing sharp swings near six-week highs. Yemen's Iran-aligned Houthis declared a naval blockade on Saudi Arabia, raising the threat to global energy supplies, while hopes of de-escalation were still alive after Tehran received a 10-day ceasefire proposal from mediators.

Eurozone & UK markets

The EUR/USD pair edged higher during early European trading on Monday, supported by the European Central Bank's (ECB) hawkish stance. While the ECB is widely expected to keep interest rates unchanged at Thursday's meeting, markets anticipate a second-rate hike of the year in September as rising energy prices increase the risk of stronger inflationary pressures

The British Pound traded modestly higher against the US Dollar during Monday's trading session, lifting the GBP/USD pair as the Greenback came under mild pressure. Market participants remained focused on upcoming economic data and central bank expectations, with investors largely anticipating that the Federal Reserve (Fed) would keep interest rates unchanged at its next policy meeting.

Japan market

The Japanese Yen (JPY) gains modestly against the US Dollar (USD) during Tuesday's European session, pushing the USD/JPY pair slightly lower. The pair comes under pressure as the US Dollar weakens, with markets widely expecting the Federal Reserve (Fed) to keep interest rates unchanged at next week's policy meeting.

Short-end market Rates

Country	Kenya	Uganda	Tanzania	Rwanda
91 Day T-Bill	8.80%	10.50%	3.60%	8.00%
182 Day T-bill	8.97%	10.70%	4.90%	8.10%
364 Day T-bill	9.04%	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	155.50
GBP	165.00	180.00
CHF	154.00	168.70
JPY	74.50	84.30
ZAR	6.75	10.25
CAD	87.70	98.00
UGX	0.0274	0.0513
TZS	0.0426	0.0630
AED	32.80	42.00
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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