GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Tuesday, August 4, 2026

The home unit kicked off the week on a stable footing against the greenback as calm engulfed the local FX market. Foreign currency demand and supply countered each other well, keeping the shilling unchanged from its opening level.

In the new day, we expect the shilling to trade within the current ranges, but flows will continue to guide the direction of the pair.

International News

The US Dollar remained stable on Monday, after Japan confirmed it had carried out coordinated yen-buying operations with the US, while Bank of Japan data indicated the country may have spent as much as $58.97 billion on Thursday. An easing of geopolitical tensions also weighed on the dollar, as safe-haven demand faded and concerns over energy-exposed economies receded, after President Donald Trump said fresh talks with Tehran would begin on Monday. Meanwhile, business activity in the manufacturing sector improved at its fastest pace since 2022. The ISM Manufacturing PMI for July improved from 53.3 to 55.6, exceeding estimates of 54. The employment sub-component in companies increased for the first time since 2023, while prices paid indicated that input costs remain elevated.

Eurozone & UK markets

The euro was down 0.13% against the dollar, hovering near its highest level since June 16, as improving risk sentiment followed a sharp decline in oil prices. At the same time, stronger-than-expected eurozone data continued to support the policy outlook. The bloc's economy expanded 0.4% in the second quarter, beating forecasts of 0.2% and marking its fastest growth since early 2025. Meanwhile, annual inflation accelerated to 2.9% in July, while core and services inflation also strengthened.

The British pound edged lower on Monday, breaking it's three-day winning streak against the dollar as investors closely watch the U.S. rate path and authorities' interventions to support the Japanese currency.

Japan market

The yen held on to most of its intervention-driven gains in early Asian trading on Tuesday, after last week's joint action by Tokyo and Washington to shore up the currency kept speculators wary of rebuilding bearish positions.

Short-end market Rates				
Country	Kenya	Uganda	Tanzania	Rwanda
91 Day T-Bill	8.79%	10.00%	3.35%	8.33%
182 Day T-bill	8.95%	10.40%	4.78%	8.30%
364 Day T-bill	9.02%	11.50%	7.03%	8.54%
Inflation Rate	6.50%	3.20%	4.20%	11.50%
Interbank	8.75%	9.75%	6.25%	8.25%

Indicative quotes on the major currencies.

	Buys	Sells
USD	126.50	132.00
EUR	140.87	157.71
GBP	163.96	180.48
CHF	150.18	170.01
JPY	77.04	87.25
ZAR	6.16	10.51
CAD	84.77	99.12
UGX	0.02680	0.0538
TZS	0.04240	0.0636
AED	30.63	41.80
RWF	0.0509	0.1286

Indicative Deposit rates			
Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	GBP
Call	3.35%	0.70%	0.0%
1 month	5.50%	1.95%	0.05%
3 months	5.55%	2.10%	0.05%
6 months	5.65%	2.10%	0.20%

Corporate Sales: Collins M, **Retail Sales:** Hellen M. Direct No: 0711 056 213/629
Director and Head of Sales: Bernard Matimu Direct No: 0711 056 328 213/629

NCBA Bank   NCBA Bank   ncbabankkenya

DISCLAIMER: Any opinion or other information in this e-mail is not an invitation to buy or sell any asset class. Legally binding obligations can only arise for or be entered into on behalf of NCBA by means of a written instrument signed by a duly authorized signatory. You are cautioned to ensure that you have made an independent decision in accordance with your own objectives, experience, operational and financial resources and any other appropriate factors including independent professional advice. No guarantee, warranty, or representation is made in respect of the performance or return on any transaction.

ncbagroup.com Go for it