

GLOBAL MARKETS

DAILY MARKET NEWS



Friday, August 7, 2026

The home unit stayed put against the U.S dollar, with market activity remaining in equilibrium in another dull session.

Heading into the weekend, we see limited market activity caging the movements of the currency pair within recent trading ranges, extending the static pattern seen throughout the week.

International News

The dollar edged higher against major peers, rebounding after touching a six-week low on Monday. The move was driven by two reinforcing forces: fading optimism over a Hormuz deal — which sent Brent crude back above \$80, later reaching \$83 in late trade — and pre-payrolls hedging demand.

Investors now turn their attention to Friday's release of the U.S. employment report for July, which could offer fresh clues on the Federal Reserve's interest rate path. Nonfarm payrolls are expected to have risen by 80,000 last month, following a 57,000 increase in June, while the unemployment rate is forecast to hold steady at 4.2%.

Eurozone & UK markets

EUR/USD fell 0.24% on Thursday, reversing two days of gains as the dollar strengthened broadly. The session was light on European-specific catalysts — EU retail sales was the only scheduled data release and had no material market impact.

Sterling was little changed against the dollar as investors awaited updates on a possible Iran-Oman deal that could reopen the Strait of Hormuz. UK front-end gilts had rallied hard on Hormuz optimism, but the risk-reward of chasing yields lower was turning unfavorable. With oil rebounding, gilt yields faced renewed upward pressure heading into Friday's payrolls.

Japan market

The Japanese yen weakened against the dollar in early Asian trading on Friday, surrendering part of the gains sparked by the joint currency intervention by Tokyo and Washington — fueling speculation that authorities may step in again to support the currency. The yen also faced additional pressure from a stronger dollar and rebounding oil prices, following renewed tensions in the Strait of Hormuz. Meanwhile, data showed Japan's household spending fell 3.3% in June, defying expectations for a 1% increase and highlighting continued softness in consumer demand.

Short-end market Rates

Country				
91 Day T-Bill	8.78%	10.00%	3.35%	8.33%
182 Day T-bill	8.95%	10.40%	4.78%	8.30%
364 Day T-bill	9.00%	11.50%	7.03%	8.54%
Inflation Rate	6.50%	3.20%	4.00%	11.50%
Interbank	8.75%	9.75%	6.50%	8.25%

Indicative quotes on the major currencies.

	Buy	Sell
USD	126.50	132.00
EUR	140.42	157.76
GBP	163.22	180.38
CHF	150.14	170.02
JPY	76.62	86.71
ZAR	6.19	10.42
CAD	84.77	99.12
UGX	0.02680	0.05380
TZS	0.04210	0.06320
AED	30.63	41.80
RWF	0.05090	0.12860

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%

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