GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Monday, August 10, 2026

Domestic News

The week ended with the local currency holding steady against the greenback during Friday's session. Demand for the dollar from manufacturers and importers was well cushioned by inflows trickling into the market. This provided adequate support for the local unit to end the day at similar levels to the previous close.

Ahead of the new week, we expect the USD/KES pair to continue trading within the recent tight but familiar ranges, barring any intervening factors.

International News

The dollar index dipped to its lowest level since mid-June on Friday as Fed hike expectations were scaled back following data showing the U.S. economy unexpectedly lost jobs in July.

Nonfarm payrolls fell by 23,000 in July versus expectations for an 80,000 gain and prior months were revised lower, while the unemployment rate eased to 4.1%. The futures market now sees just over a 40% chance of Fed tightening in September versus about 57% before the jobs report. However, the dollar index's decline was tempered by softer volatility, rising equities and oil prices, and subdued speculative activity, even as gains remained capped near the 100 level.

Eurozone & UK markets

EUR/USD surged to a 1-1/2-month high as soft US labor data triggered a sharp selloff in the dollar and U.S. Treasury yields, as traders scaled back expectations for a September Fed rate hike. Nonetheless, even with this bullish backdrop, EUR/USD bulls appear reluctant to fully commit ahead of Wednesdays U.S. CPI and PPI reports, which will provide fresh insight into inflation trends.

The Pound edged 0.29% higher against the US Dollar on Friday, as Cable bulls remained cautiously optimistic after a surprisingly weak U.S. July employment report. The UK has a busy week ahead, with the release of June and preliminary Q2 GDP, industrial and manufacturing output, trade, and business investment on Thursday.

Japan market

Earlier in Asia USD/JPY was up 0.2%, recouping most of its Friday U.S. jobs related losses. The Bank of Japan's case for a September rate hike strengthened after a growing chorus of policymakers argued for a more forceful response to mounting inflation risks. While Japanese executives warned that currency swings and a persistently weak yen pose risks to the economy.

Short-end market Rates

Country	Kenya	Uganda	Tanzania	Rwanda
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.

	Buys	Sells
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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