# GLOBAL MARKETS
## DAILY MARKET NEWS

NCBA

**Tuesday, August 18, 2026**

**Domestic News**

The Kenya shilling depreciated by 15 cents against the U.S. dollar, as increased foreign currency demand from importers outweighed available dollar supply in the market. The move reflects continued demand for dollars to meet import-related obligations, although overall market activity remains relatively balanced.

Looking ahead, we expect USD/KES to remain within its recent tight trading range this week, supported by relatively stable foreign currency flows and limited market volatility. However, the pair remains sensitive to shifts in importer demand, exporter and remittance inflows, global dollar movements, and any significant domestic or external developments that could alter the prevailing demand-supply dynamics.

**International News**

The U.S. dollar weakened as softer U.S. economic data reduced expectations for further Federal Reserve rate hikes. Weak retail sales, unexpected job losses and subdued inflation have prompted markets to reassess the U.S. interest-rate outlook ahead of the Jackson Hole symposium, where investors will look for guidance on the Fed's policy direction.

**Eurozone & UK markets**

The euro rose to a two-month high while the dollar index recovered from earlier losses to trade broadly flat at 99.53.On the data front, investors will look forward to ZEW sentiment surveys from Germany and the Eurozone , alongside a scheduled speech from the European Central Bank's (ECB) Philip Lane.

Sterling extended gains ahead of Wednesday's inflation data, which is expected to provide clues on the Bank of England's policy direction, while rising fiscal concerns pushed 10-year gilt yields above 5%. Investors remain cautious about the UK government's ability to manage inflation effectively. The Bank of England (BoE) watches Average Earnings more closely, with the ILO Unemployment Rate expected to edge down.

**Japan market**

The yen edged higher continuing its recovery after recent U.S. and Japanese intervention to support the currency. Attention is now shifting to whether the Bank of Japan will raise interest rates, despite weaker-than-expected Japanese economic growth.

**Short-end market Rates**

| Country | Kenya | Uganda | Tanzania | Rwanda |
|---|---|---|---|---|
| 91 Day T-Bill | 8.77% | 10.00% | 3.35% | 8.33% |
| 182 Day T-bill | 8.95% | 10.40% | 4.78% | 8.30% |
| 364 Day T-bill | 9.04% | 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% |

**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