GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Wednesday, August 19, 2026

Domestic News

The Kenya shilling weakened marginally against the US dollar, pressured by increased corporate dollar demand, particularly from importers meeting their foreign currency obligations.

Looking ahead, the USD/KES pair is likely to remain rangebound in the near term, with the shilling's performance largely dependent on the balance between corporate dollar demand and foreign currency inflows. Increased exporter and corporate inflows could provide some support to the local unit, while sustained dollar demand could keep the shilling under mild pressure.

International News

The U.S. dollar traded range-bound against major peers on Tuesday as markets continued pricing in a dovish response from the Federal Reserve in the wake of softer economic data. Data in the past few weeks have pointed to a softer U.S. economy, including unexpected job losses last month and mild inflation readings, leading investors to scale back expectations of an interest rate hike by the U.S. Federal Reserve. The US Dollar Index (DXY) held a firm tone near the 99.60s on Tuesday, keeping a mild safe-haven bid as tensions around the Strait of Hormuz stayed front and center. Markets have been focused on whether the July Fed meeting minutes, due later today, will reinforce expectations that the central bank could keep rates higher for longer or deliver a hike this year.

Eurozone & UK markets

EUR/USD traded on the soft side as the pair looks to a busy European morning today, with Eurozone final Harmonized Index of Consumer Prices (HICP) figures for July and a scheduled speech from European Central Bank (ECB) President Christine Lagarde.

GBP/USD edged lower ahead of the session's marquee release. The UK Consumer Price Index (CPI) for July lands early today, with the headline annual rate expected to tick higher. A hot print would revive bets on Bank of England (BoE) rate hikes and could give the Pound a lift, while a soft one would leave Sterling exposed.

Japan market

USD/JPY pair fell 0.2% but remained under pressure despite the recent efforts by Japanese and U.S. authorities to support the currency. Japan's July trade figures are due late in the day.

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%

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