

GLOBAL MARKETS

DAILY MARKET NEWS



TODAY IN 10 SECONDS

U.S. dollar snaps four-week win streak, helping the euro halt a five-week slide

Monday, October 19, 2026

91-DAY T-BILL

8.75%

▼ -1 bp

KESONIA

8.75%

◆ unchanged*

KENYA INFLATION

6.80%

▲ within CBK 2.5–7.5% band

CBR

8.75%

◆ unchanged*

DOMESTIC — KENYA

The local currency depreciated against the US dollar on Friday, as corporate demand for Greenback continued to outpace available supply. The pair's pricing is expected to be influenced by capital flows and evolving geopolitical risks, as market participants reassess the broader macroeconomic outlook.

INTERNATIONAL NEWS

The greenback fell to a two-week low on Friday, bringing its four-week winning streak to an end amid a sharp retreat in US Treasury yields from multi-year highs. Although stronger-than-expected consumer and producer price data initially unsettled financial markets, dovish signals from Federal Reserve officials indicated limited urgency to pursue further monetary tightening helped stabilize Treasury yields and diminished support for the dollar.

EUR/USD struggled to extend its gains on Friday as the US dollar stabilized following Thursday's pronounced sell-off. Expectations of further European Central Bank (ECB) rate increases provided some support for the euro, although concerns over the eurozone's growth outlook, France's fiscal vulnerabilities and political uncertainty continued to constrain upside momentum. These risks could generate renewed selling pressure on the single currency.

GBP/USD closed higher on Friday, supported by resilient UK economic data and broad-based weakness in the US dollar. Sterling also benefited from strengthening market expectations of a potential 25-basis-point Bank of England (BoE) rate hike in November. Attention now turns to upcoming UK economic releases, US macroeconomic indicators, and central bank communications, which are likely to shape near-term price action and interest-rate expectations.

USD/JPY traded relatively steadily during the early Asian session as investors assessed the monetary policy outlooks of the Federal Reserve and the Bank of Japan (BoJ). BoJ Governor Kazuo Ueda indicated that underlying inflation was moving closer to the central bank's 2% target, reinforcing expectations that further monetary policy normalization remains possible.

MARKET EVENTS THIS WEEK

Wed 21	UK September CPI	Could shift GBP direction and interest rate expectations.
Thur 22	US Weekly Initial Jobless Claims	Give direction of the US dollar

INDICATIVE FX (KES)

CCY	BUY	SELL
USD	126.50	132.50
EUR	139.50	153.50
GBP	164.30	179.90
JPY	75.50	87.00
ZAR	6.60	9.95
AED	33.35	38.85
UGX	0.0241	0.0452
TZS	0.0423	0.0635

Indicative retail cash rates; contact dealing desk for live wholesale pricing on amounts above USD 5,000

EAST AFRICA RATES

RATE	KENYA	UGANDA	TANZANIA	RWANDA
91-day	8.75%	9.75%	3.42%	8.00%
182-day	8.86%	10.00%	4.92%	8.09%
364-day	9.04%	10.99%	6.47%	8.32%
Inflation	6.80%	4.10%	4.30%	15.90%
Interbank	8.75%	9.75%	6.25%	8.78%

Best real 364-day return: Uganda (+11.50%); Rwanda's yields sit below its 15.90% inflation.

DEPOSIT RATES

TENOR	KES >20M	USD >100K	GBP >100K
Call	3.35%	0.85%	0.00%
1 month	5.45%	2.25%	0.00%
3 months	5.45%	2.25%	0.00%
6 months	5.60%	2.40%	0.00%

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