



TODAY IN 10 SECONDS

USD/KES continues to trade within familiar ranges

Wednesday, October 21, 2026

91-DAY T-BILL	KESONIA	KENYA INFLATION	CBR
8.75%	8.75%	6.80%	8.75%
▼ - 1 bp	◆ unchanged*	▲ within CBK 2.5–7.5% band	◆ unchanged*

DOMESTIC — KENYA

The Kenyan shilling continued to trade within familiar ranges against the US dollar on Monday, 19 October 2026, reflecting relative stability in the domestic foreign-exchange market. Looking ahead, USD/KES is likely to remain sensitive to importers' dollar demand, foreign-currency inflows, international oil prices and broader US dollar movements.

INTERNATIONAL NEWS

The US dollar weakened as US Treasury yields declined, while market participants assessed geopolitical developments involving the United States and Iran, fluctuations in oil prices, and uncertainty surrounding AI-related investments. The decline in Treasury yields reduced the dollar's yield advantage and contributed to downward pressure on the currency. Nevertheless, persistent inflation concerns and expectations for the Federal Reserve's monetary policy provided underlying support, limiting further losses

The EUR/USD pair recorded modest appreciation, primarily reflecting broad-based weakness in the US dollar. However, structural and political concerns continued to weigh on the euro's medium- to long-term outlook. Market attention remained focused on France's domestic political and fiscal challenges, including elevated French German government bond yield spreads, reported at approximately 145 basis points, as well as persistent social unrest.

GBP/USD was the strongest of these three markets during Tuesday's session, rising approximately 0.59%. Stronger-than-expected UK employment and wage figures increased expectations of a possible Bank of England rate hike on 5 November, supporting sterling. However, Sterling remains vulnerable to geopolitical developments, energy-price fluctuations, bond-yield movements, and upcoming economic data.

USD/JPY pair traded within a narrow range during the early Asian session as declining US Treasury yields weighed on the dollar. The pair remained sensitive to oil prices, risk sentiment, and Bank of Japan policy expectations, with its near-term direction dependent on yield differentials and central-bank developments.

MARKET EVENTS THIS WEEK

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

INDICATIVE FX (KES)

CCY	BUY	SELL
USD	126.50	132.50
EUR	139.50	153.50
GBP	166.00	181.00
JPY	75.10	86.95
ZAR	6.40	10.25
AED	30.63	38.86
	0.0239	0.0448
UGX		
TZS	0.0423	0.0632

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%