

# GLOBAL MARKETS

## DAILY MARKET NEWS



**23/09/2025**

### Domestic News

The Kenya shilling's movement against the U.S. dollar remained confined to a narrow range on Monday, supported by balanced trading flows.

Throughout the session, buying and selling activity across the currency pairs evened out, with demand for foreign currency closely matching supply. As a result, the USDKES pair ended the day unchanged.

The USDKES exchange rate is expected to continue trading within these current ranges as the market experiences ongoing equilibrium in foreign currency flows

### International News

#### US

USD was on the back foot, though losses remained capped amid a dearth of data. Analysts note that with little major data due before Friday's key inflation report, the market will be highly sensitive to speeches from Fed members, including Chair Powell today and other speakers later in the week who have been hawkish. Fed Governor Stephen Miran, in a Monday speech, emphasized risks to the labor market and warned that current policy remains restrictive.

#### Eurozone & UK

The EUR/USD pair maintains an upward bias amid thin trading volumes as traders await key speeches and data later in the week. The preliminary Eurozone Consumer Confidence index for September registered a slight improvement, exceeding consensus forecasts. However, this modest positive surprise was largely dismissed by markets, which remained focused on the hawkish-leaning commentary from Federal Reserve officials indicating a reluctance to commit to additional monetary easing

GBPUSD was also mildly higher in the day, with markets assessing rate cut bets by the FED vs BoE.

#### Japan

The USD/JPY pair declined as market participants assessed the implications of the Federal Reserve's updated policy stance. Conversely, the Japanese Yen's potential for significant appreciation is being tempered by domestic political uncertainty. The upcoming Liberal Democratic Party election is influencing the Bank of Japan's cautious approach to additional rate increases, a dynamic that may weigh on the currency.

| Country        |         |        |       |       |
|----------------|---------|--------|-------|-------|
| 91 Day T-Bill  | 7.9716% | 10.38% | 7.49% | 6.38% |
| 182 Day T-bill | 8.0194% | 13.43% | 8.47% | 6.06% |
| 364 Day T-bill | 9.5483% | 15.25% | 8.91% | 7.28% |
| Inflation Rate | 4.50%   | 3.80%  | 3.20% | 7.30% |
| Interbank      | 9.46%   | 9.79%  | 6.31% | 6.50% |

|  |     | Bank   | Bank   |
|--|-----|--------|--------|
|  |     | Buys   | Sells  |
|  | USD | 125.00 | 133.50 |
|  | EUR | 143.77 | 161.49 |
|  | GBP | 168.02 | 186.97 |
|  | CHF | 156.39 | 174.09 |
|  | JPY | 81.48  | 93.89  |
|  | ZAR | 6.26   | 9.69   |
|  | CAD | 87.28  | 100.40 |
|  | UGX | 0.0285 | 0.0535 |
|  | TZS | 0.0448 | 0.0684 |
|  | AED | 33.35  | 38.86  |
|  | RWF | 0.0685 | 0.1305 |

| Indicative Deposit rates |       |                   |       |
|--------------------------|-------|-------------------|-------|
| Amounts > KES 20 million |       | Amounts > 100,000 |       |
| Tenor                    | KES   | USD               | EUR   |
| Call                     | 3.30% | 1.10%             | 0.10% |
| 1 month                  | 4.80% | 2.35%             | 0.15% |
| 3 months                 | 4.80% | 2.35%             | 0.25% |
| 6 months                 | 4.85% | 2.20%             | 0.30% |

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