

GLOBAL MARKETS NEWS 26th AUGUST 2025

DOMESTIC NEWS

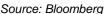
The domestic unit held its ground against the US dollar in a rather muted trading session on Monday.

Market was largely contained within its well-established ranges seen recently as current trading levels are underpinned by an equilibrium between corporate demand for hard currency, and sustained inflows from exporters and diaspora remittances.

Market participants expect the USD/KES pair to remain range bound in the near term.

Amounts	Spot Rates		Forward Rates		
"100,000"	Opening			USD/KES	
	Buy TT	Sell TT		Buy	Sell
USD/KES	126.00	132.00	1 month	126.50	134.20
EUR/KES	140.45	159.30	3 Months	127.10	135.60
GBP/KES	162.40	183.45	6 Months	129.20	137.70
JPY/KES	80.25	92.45	12 Months	133.40	141.90

Money Market Rates	Previous	Current	Change Bps
Interbank rate	9.44%	9.51%	+7.00
91-Day T-bill	8.0799%	8.0000%	-7.00
182-Day T-bill	8.1732%	8.0706%	-10.00
364-Day T-bill	9.5824%	9.5734%	-1.00
Inflation Rate	3.82%	4.15%	+33.00





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INTERNATIONAL NEWS

The dollar advanced against majors on Monday, rebounding from a steep fall on Friday following remarks from Federal Reserve Chair Jerome Powell that boosted expectations for a rate cut next in September. Markets were also wary of Donald Trump announcing he was firing a Federal Reserve governor, an unprecedented move that further undermines confidence in the Fed's independence. Markets await data this week and with a data rich fortnight for the US Dollar, this week's core PCE and GDP report, next week's Non-Farm Payrolls release and CPI data for August will be watched for further cues on how the economy is faring. Today traders await the durable goods orders.

The EUR weakened on Monday following mixed economic data from the Eurozone's largest economy, Germany. The German current assessment index fell short of market consensus, printing 86.4 against 86.7, and lower from the previous July print of 86.5. The IFO business climate index rose to 89.0 in August, beating economist forecasts of 88.6 and improving from July's reading of 88.6. ECB's president cautious tone around the Euro yesterday citing a resilient but not thriving economy, further acted as a headwind for the Euro.

The Sterling Pound pared gains on Monday, following broader dollar strength and thin trading volumes during the London session as U.K marked a bank holiday yesterday. In a rather Iull data week for the Sterling, markets will shift focus to key data releases in the US, as this is likely to shape market bets for policy cuts by the Fed

The Japanese Yen advanced in the early Asian session on Tuesday, as the US dollar struggled following Trump's threat to remove Fed Governor Lisa Cook. The Yen could gain ground amid increased stability in Japan's domestic politics, with improved public approval after Tokyo reached a trade deal with the United States and the announcement of increasing production of rice. An opinion poll showed a 20% rise in support for Japanese Prime Minister Shiugeru Ishiba, despite his ruling coalition losing its majority in July's parliamentary election.

Indicative Deposit Rates					
Amounts > K	ES 20 million	Amounts > 100,000			
Tenor	KES	USD	EURO		
Call	6.10%	0.05%	0.10%		
1 month	5.20%	0.10%	0.15%		
3 months	5.20%	0.15%	0.25%		
6 months	5.65%	0.20%	0.30%		
India	ativa Crass Bata	•			

Indicative Cross Rates						
CCY	Buy	Sell				
EUR\USD	1.1521	1.1522				
GBP\USD	1.3490	1.3497				
USD\JPY	145.42	145.45				
USD\CHF	0.8165	0.8171				