

GLOBAL MARKETS

DAILY MARKET NEWS



Thursday, October 16, 2025

Domestic Market Developments

The domestic currency remained steady against its American Counterpart on the Wednesday trading session. Activity from both importers and exporters remained balanced throughout the trading session, restraining price action in the USDKES pair.

We anticipate the local currency to continue trading within its familiar range guided by demand and supply ahead of the long weekend with Friday 17th Oct declared a holiday.

International News

US market

The U.S. dollar declined against major currencies on Wednesday, as market sentiment remained dampened by ongoing trade tensions between the U.S. and China.

Jerome Powell's speech on Tuesday, where the Federal Reserve chair indicated the possibility of further interest rate cuts, contributed to the dollar sell-off as well. Powell mentioned that the U.S. labor market remained sluggish, characterized by low hiring and firing activity. Despite the lack of official economic data due to the government shutdown, he noted that policymakers still had enough information to evaluate the economic outlook for the time being.

Eurozone & UK markets

On Wednesday, the Euro (EUR) remained strong against the US dollar, continuing its gains for a second straight day as the dollar came under slight pressure following growing US-China trade tensions and strong expectations of additional rate cuts by the Fed. A more cautious stance from the Fed, diminished demand for US assets, a steady position from the ECB, or new developments in trade negotiations could eventually shift market sentiment in favor of the euro and allow the pair to advance further.

Japan market

The Japanese Yen faces some selling pressure after gaining during the Asian session, helping the USD/JPY pair recover from its lowest level in over a week, reached earlier on Thursday. Investors now appear to believe that domestic uncertainty may prompt the Bank of Japan (BoJ) to postpone any interest rate hikes which has weighed on the Yen, capping gains for now.

Short-end market Rates

Country				
91 Day T-Bill	7.891%	10.38%	7.49%	6.38%
182 Day T-bill	7.9301%	13.43%	8.47%	6.06%
364 Day T-bill	9.5406%	15.25%	8.91%	7.28%
Inflation Rate	4.58%	3.80%	3.20%	7.30%
Interbank	9.5097%	9.79%	6.31%	6.50%

Quotes on the major currencies

	Buys	Sells
USD	125.00	133.50
EUR	140.14	159.76
GBP	163.48	181.79
CHF	156.50	169.58
JPY	79.18	90.94
ZAR	5.83	9.94
CAD	86.45	98.92
UGX	0.0289	0.0581
TZS	0.0454	0.0687
AED	30.63	41.80
RWF	0.0513	0.1304

Indicative Deposit rates

Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	EUR
Call	3.15%	0.95%	0.0%
1 month	4.70%	2.10%	0.35%
3 months	4.75%	2.10%	0.40%
6 months	4.75%	2.20%	0.40%

Corporate Sales: Collins M, **Retail Sales:** Hellen M. Direct No: 0711 056 213/629

Director and Head of Sales: Bernard Matimu Direct No: 0711 056 328 213/629



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