GLOBAL MARKETS
DAILY MARKET NEWS

NCBA

Tuesday, October 28, 2025

Domestic Market Developments

The Kenyan Shilling remained stable against the U.S. Dollar during another calm trading session marked by low activity.

On Monday, strong Dollar inflows matched most of the foreign currency demand, keeping the USD/KES exchange rate relatively unchanged. With market participation remaining limited at the start of the week, the Shilling is expected to maintain its narrow trading range.

International News

US market

The US Dollar Index weakened slightly to around 98.70 during early Asian trading on Monday, as investors turned cautious ahead of several key events this week.

The Federal Reserve is widely expected to lower its benchmark interest rate by 25 basis points on Wednesday, a move that has added pressure on the greenback.

Meanwhile, market sentiment remains focused on an anticipated meeting between U.S. President Donald Trump and Chinese President Xi Jinping in South Korea on Thursday, which could influence trade and geopolitical dynamics.

Eurozone & UK markets

UK retail sales rose unexpectedly for the fourth straight month, providing support for the British Pound. Earlier in the day, the Pound gained ground after UK retail sales unexpectedly rose by 0.5% month-on-month in September, defying market forecasts for a 0.2% decrease.

The EUR/GBP slipped on Monday, ending a three-day rally to a one-month high. Diverging BoE-ECB policy views limited losses as traders stayed cautious ahead of Thursday's ECB policy decision.

Japan market

The Japanese Yen rose sharply on Monday, supported by renewed speculation about potential government intervention in the currency market. Expectations of diverging monetary policies between the Bank of Japan and the U.S. Federal Reserve further boosted the appeal of the low-yielding Yen. Still, most traders are expected to stay on the sidelines and wait for the policy decisions from both central banks before making significant moves.

Short-end market Rates

Country	Kenya	Uganda	Tanzania	Rwanda
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	140.72	160.45
GBP	163.69	182.03
CHF	152.80	171.12
JPY	78.84	90.53
ZAR	5.87	10.08
CAD	86.78	99.31
UGX	0.0287	0.0576
TZS	0.0450	0.0684
AED	30.63	41.80
RWF	0.0513	0.1303

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%

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