

GLOBAL MARKETS

DAILY MARKET NEWS



Monday, December 1, 2025

Domestic Market Developments

The home unit remained well supported against the buck on Friday gaining versus the greenback.

Activity from exporters outweighed those from importers throughout the trading session, powering the local currency to gain 30 cents as at closing bell.

Devoid of any major market moving event, we expect the shilling to continue trading within this range guided by demand and supply.

International News

US market.

The U.S. dollar was heading for its worst weekly performance since late July on Friday as traders increased bets that the Federal Reserve will cut rates again next month. The dollar has dropped this week as traders concluded that weakening labor data will lead to more rate cuts, even as many Fed policymakers express concern about still-elevated inflation. The dollar index, which measures Greenback's strength against a basket of six major peers, was last down 0.09% at 99.44, and on track for a 0.61% weekly loss, its largest since July 21.

Eurozone & UK markets

EUR/USD steadied during Friday's session as Retail Sales in Germany missed estimates of October, while the Harmonized Index of Consumer Prices (HICP) for November exceeded forecasts, approaching the 3% threshold. In France, the Gross Domestic Product (GDP) for Q3 was aligned with estimates and the preliminary reading, while Spanish HICP broke the 3% threshold.

Sterling pared weekly gains as increased rate cut expectations by the BoE weighed on Cable together with thin trading volumes as the month came to an end. Investors are pricing in a 25-bps rate cut by the Bank of England (BoE), hence further downside for GBP/USD is expected.

Japan market

Earlier today, the Yen and bond yields rose after the remarks by Governor Kazuo Ueda. Market participants are pricing in the likelihood of a rise at the December 18-19 meeting. The Governor said that the Bank of Japan will consider the "pros and cons" of raising interest rates at its next policy meeting.

Short-end market Rates

Country				
91 Day T-Bill	7.7789%	11.70%	5.69%	7.19%
182 Day T-bill	7.8000%	13.10%	5.87%	7.53%
364 Day T-bill	9.3759%	15.00%	6.35%	8.19%
Inflation Rate	4.56%	3.40%	3.50%	7.10%
Interbank	9.25%	9.85%	6.31%	6.50%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	139.90	159.45
GBP	162.00	180.15
CHF	150.75	168.80
JPY	76.95	88.35
ZAR	5.90	10.12
CAD	86.76	99.27
UGX	0.0275	0.0552
TZS	0.0455	0.0685
AED	30.60	41.80
RWF	0.0514	0.1304

Indicative Deposit rates

Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	GBP
Call	3.15%	0.85%	0.0%
1 month	4.60%	2.10%	0.05%
3 months	4.60%	2.10%	0.05%
6 months	4.60%	2.00%	0.00%

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