

GLOBAL MARKETS

DAILY MARKET NEWS



Monday, December 8, 2025

Domestic Market Developments

The Kenyan shilling saw modest appreciation against the US dollar. Gains in the local currency were driven by improved foreign currency inflows which, albeit marginally, exceeded the dollar demand from corporate clients, leaving the local unit a few cents stronger by the close of trade.

In the Bond auction, the government received bids totaling 53Bn against 40Bn for the re-opened 15 & 25-year bonds reflecting strong investor appetite for the long-dated papers as investors chased high yields.

International News

US market.

The U.S. dollar edged lower on Friday, trading within a narrow band against other major currencies.

Market chatter polled traders seeing a 90% likelihood of a Fed rate cut next week, with expectations for further cuts in the coming year. Recent weak labor market figures have also reinforced this view. The currency found little support from a report showing improved U.S. consumer sentiment in early December. Additionally, delayed data confirmed that the key Fed inflation gauge, the core PCE Price Index, rose a modest 0.2% in September. Looking ahead, investors are considering the potential for a more accommodative Fed if White House adviser Kevin Hassett succeeds Jerome Powell as Chair in May.

Eurozone & UK markets

The Euro held its ground on Friday, supported by stronger-than-expected monthly growth data that demonstrated the resilience of the European economy. European Central Bank (ECB) Governing Council member François Villeroy remarked that the current stance of monetary policy is still not yet at a comfortable level, citing inflation risks skewing more to the downside than the upside.

The GBP/USD pair regained upward momentum on Friday, recovering partially from the previous day's decline. The pound found support as concerns over the recent budget receded and business activity data from S&P Global showed signs of improvement.

Japan market

The Japanese Yen was steady against the U.S. Dollar during Monday's Asian trading session. This bullish momentum is driven by growing market expectations that the Bank of Japan (BoJ) will adopt a more hawkish policy stance.

Short-end market Rates

Country				
91 Day T-Bill	7.7798%	11.70%	5.69%	7.19%
182 Day T-bill	7.8043%	13.10%	5.87%	7.53%
364 Day T-bill	9.3681%	15.00%	6.35%	8.19%
Inflation Rate	4.46%	3.40%	3.50%	7.10%
Interbank	9.24%	9.85%	6.31%	6.50%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	140.45	160.10
GBP	162.15	180.30
CHF	151.20	169.25
JPY	76.95	88.30
ZAR	5.95	10.10
CAD	86.90	99.35
UGX	0.0281	0.0563
TZS	0.0454	0.0687
AED	30.65	41.80
RWF	0.0514	0.1300

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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