

GLOBAL MARKETS

DAILY MARKET NEWS



Tuesday, December 16, 2025

Domestic Market Developments

The local currency remained buoyant against the U.S. dollar on Monday, underpinned by a balanced mix of foreign exchange flows. The USD/KES pair is expected to stay within its prevailing range unless major economic developments emerge.

International News

US market.

The US Dollar has been under pressure after the Federal Reserve delivered the expected rate cuts last Wednesday amid thin trading conditions during this holiday season, marking a third straight weekly decline. Late on Monday, the index pared some of its losses and is trading around the 98.40 level.

Market turns towards a slew of U.S economic data releases today with the most important release being U.S non-farm payroll data and US retail sales.

Eurozone & UK markets

The Euro rose against the US Dollar on Monday, with broad-based US weakness but the gains were capped amid thin trading volumes. The pair was supported by a stronger-than-expected Eurozone Industrial Production report, which lifted overall market sentiment.

Cable powered higher, amid a dearth of data and increased risk appetite overall. Market awaits the UK unemployment data and manufacturing PMI data which will further guide the pair's direction.

Japan market

The Japanese Yen continued to strengthen against a weakening US Dollar for a second consecutive day, reaching a one-and-a-half-week high during Tuesday's Asian session. Market participants are increasingly confident that the Bank of Japan (BoJ) will hike interest rates this week to a 30-year high, and this expectation combined with a broadly softer equity market environment has supported Yen's gains.

Short-end market Rates

Country				
91 Day T-Bill	7.78%	10.99%	5.93%	7.41%
182 Day T-bill	7.80%	13.40%	5.91%	7.58%
364 Day T-bill	9.37%	14.90%	6.24%	8.43%
Inflation Rate	4.46%	3.20%	3.50%	7.10%
Interbank	9.24%	9.15%	5.92%	6.85%

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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