

GLOBAL MARKETS

DAILY MARKET NEWS



Thursday, December 18, 2025

Domestic Market Developments

The Kenyan shilling remained unchanged against the US dollar during Wednesday's trading session. Balanced demand from importers and exporters limited movement in the USD/KES pair. Looking ahead, the currency is expected to trade within a narrow range, staying close to recently established levels.

International News

US market.

The US dollar rebounded sharply against all major currencies after dropping to a ten-week low the previous day. Gold and crude oil prices saw modest gains following increased US pressure on Venezuela, as President Donald Trump ordered a full blockade of sanctioned oil tankers entering and leaving the country. Global equity and bond markets remained stable.

After a prolonged lull in economic releases, the labour market report delivered a negative surprise: payrolls declined by 105,000 in October, while November saw a gain of 64,000. Alongside a slight increase in labour force participation, the unemployment rate rose to 4.6% from 4.4% in September.

Eurozone & UK markets

EUR/USD is trading near its Wednesday opening levels, showing little movement amid a light US economic calendar that supported a rebound in the dollar. At the same time, Eurozone inflation data and weakening business confidence in Germany continued to weigh on the single currency.

GBP/USD fell 0.48% on Wednesday after the UK's latest inflation data came in significantly weaker ahead of the Bank of England's policy decision on Thursday. November consumer price inflation declined from 0.4% month-on-month to -0.2%, undershooting expectations of no change. On a yearly basis, CPI eased to 3.2% from 3.6%, falling short of forecasts for a moderation to 3.5%.

Japan market

The Japanese yen continued to trade in a narrow consolidation range during Thursday's Asian session, as investors remained on the sidelines ahead of a major central bank event. The Bank of Japan is set to deliver its policy decision at the conclusion of its two-day meeting on Friday and is broadly expected to raise interest rates. Market attention, however, will center on Governor Kazuo Ueda's post-meeting press conference, which is likely to be closely examined

for signals on the future policy trajectory and could provide fresh direction for the yen.

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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