

# GLOBAL MARKETS

## DAILY MARKET NEWS



**Monday, January 5, 2026**

### Domestic Market Developments

The Kenyan shilling traded sideways against the US dollar on Friday, with balanced importer demand and exporter supply keeping USD/KES locked in a tight range. Thin directional conviction and the absence of strong catalysts limited volatility, though the pair drifted marginally higher into the close. From a trading perspective, USD/KES is expected to remain range-bound in the near term, with price action likely to respect recent support and resistance levels unless fresh flow or macro drivers emerge.

### International News

#### US market.

Safe-haven flows lift the US Dollar Index following renewed geopolitical concerns, fueled by reports involving Venezuela and comments from Trump on a managed political transition. Traders are now focused on the upcoming ISM Manufacturing PMI for further direction.

The US Dollar Index comes under modest selling pressure in the Asian session, hovering amid uncertainty surrounding the Fed's independence and rising bets on interest rate cuts. Attention now turns to next week's US employment report for fresh momentum.

#### Eurozone & UK markets

Bearish pressure on EUR/USD intensified, pushing the pair lower after Eurozone manufacturing activity contracted sharply in December. Meanwhile, US PMI data is expected to reinforce signs of moderate manufacturing expansion.

Selling pressure on the Euro persists, pushing it closer to the 0.8700 area after Eurozone manufacturing activity contracted more than anticipated in December. In contrast, the UK's Manufacturing PMI remains consistent with modest growth.

#### Japan market

Selling pressure on the Japanese Yen persists amid uncertainty over the BoJ's next policy steps. Geopolitical risks continue to favor the US Dollar, boosting USD/JPY, though contrasting BoJ and Fed outlooks call for restraint among Yen bears.

A measured pace of monetary tightening by the BoJ weighs on the Japanese Yen, even as intervention concerns help cap the downside. Traders are now focused on upcoming US employment data to assess future interest rate moves.

### 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	133.80
EUR	141.24	162.56
GBP	164.83	185.06
CHF	152.99	173.57
JPY	73.31	87.63
ZAR	6.13	10.52
CAD	88.34	101.04
UGX	0.0276	0.0556
TZS	0.0453	0.0683
AED	30.70	41.89
RWF	0.0513	0.1303

### 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%

**Corporate Sales:** Collins M, **Retail Sales:** Hellen M. Direct No: 0711 056 213/629

**Director and Head of Sales:** Bernard Matimu Direct No: 0711 056 328 213/629



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