

Thursday, January 8, 2026

Domestic Market Developments

The Kenyan shilling showed little movement against the US dollar, as evenly matched importer demand and exporter supply limited price action, while thin trading reflected the absence of meaningful catalysts.

USD/KES should remain confined to recent ranges as the week progresses, with market participants adhering to established support and resistance levels barring new flow-related or macroeconomic triggers.

International News

US market.

The US Dollar Index drifted lower as US job openings slid to 14-month low in November. From the latest report, US Job openings dropped by 303,000 to 7.146 million as hiring remained sluggish and businesses grew more cautious amid uncertainty over import tariffs and the growing use of artificial intelligence in some roles.

The impact of the Venezuelan shock has largely faded, with oil, equities, and FX markets reverting to pre-January levels as investors step back from trading geopolitical headlines.

Eurozone & UK markets

EUR/USD extends losses as ISM Services PMI and signs of improving US hiring boost Dollar demand. Eurozone inflation, hitting the ECB's 2% target, reduces urgency for policy changes, while traders await Eurozone sentiment data.

The Pound spreads have eased in the past couple of days, drifting toward the lower end of a rising channel that began in early November. With no BoE speakers scheduled ahead of next week, attention remains on broader developments amid a lack of major domestic data.

Japan market

The Japanese Yen attracts dip-buying support amid expectations of a BoJ rate hike and lingering geopolitical risks. Diverging BoJ-Fed policy outlooks add further downside pressure on USD/JPY, though weak Japanese wage growth data and uncertainty surrounding the BoJ's timing may cap stronger JPY 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	140.87	162.16
 GBP	162.66	183.34
 CHF	151.99	172.48
 JPY	76.42	87.76
 ZAR	6.15	10.54
 CAD	85.65	100.17
 UGX	0.0277	0.0557
 TZS	0.0454	0.0684
 AED	30.62	41.80
 RWF	0.0512	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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