

# GLOBAL MARKETS

## DAILY MARKET NEWS



**Monday, January 26, 2026**

### 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 eased modestly on Friday and is on track for its sharpest weekly decline since June, as escalating geopolitical tensions weighed on demand for US-denominated assets. The Dollar Index (DXY), traded marginally lower at 98.170, reflecting an approximate weekly loss of 1%, its weakest showing since June 2025. Investor sentiment toward the USD has been pressured by concerns around the evolving geopolitical landscape and perceptions that the Trump administration is prepared to risk friction with key European allies.

#### Eurozone & UK markets

EUR/USD traded unchanged, with market participants showing a muted response to the latest US macroeconomic releases. Nonetheless, the pair remains on course for its first weekly gain in three weeks, supported primarily by persistent USD softness. Eurozone HCOB Flash PMI data presented a mixed picture: Composite and Services readings fell short of expectations, while Manufacturing PMI indicated marginal expansion, pointing to tentative stabilization in the industrial sector.

GBP/USD advanced by 0.1% to trade near a two-week high following stronger-than-expected UK retail sales data. December sales volumes rose by 0.4% month-on-month, defying forecasts for a 0.1% contraction and marking the first increase since September. The data adds to evidence of a gradual improvement in UK domestic economic activity.

#### Japan market

Earlier today in the Asian session, the Japanese Yen (JPY) strengthened to its highest level since 14 November amid broad USD weakness, supported by Japan's warning against speculation, BoJ's hawkish stance, and ongoing geopolitical uncertainty driving safe-haven demand.

### Short-end market Rates

Country				
91 Day T-Bill	7.73%	11.50%	7.49%	7.44%
182 Day T-bill	7.79%	13.50%	8.47%	7.58%
364 Day T-bill	9.20%	14.90%	8.91%	8.43%
Inflation Rate	4.49%	3.20%	3.20%	7.10%
Interbank	8.98%	9.78%	5.92%	6.85%

### Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	143.12	164.76
GBP	165.15	186.12
CHF	156.05	177.11
JPY	77.75	89.29
ZAR	6.30	10.80
CAD	86.80	101.52
UGX	0.0282	0.0566
TZS	0.0439	0.0665
AED	30.63	41.80
RWF	0.0516	0.1304

### Indicative Deposit rates

Amounts > KES 20 million		Amounts > 100,000	
Tenor	KES	USD	GBP
Call	3.15%	0.85%	0.0%
1 month	4.55%	1.90%	0.05%
3 months	4.55%	1.90%	0.05%
6 months	4.60%	1.85%	0.00%

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