

GLOBAL MARKETS

DAILY MARKET NEWS



Wednesday, January 28, 2026

Domestic Market Developments

The domestic currency continued to trade flat with negligible change towards the close of the trading session yesterday.

Near term price action is expected to remain range-bound, with limited volatility and no significant directional swings anticipated.

International News

US market.

The USD rebounded from a four-year low as bears lightened their bets ahead of the FOMC decision. The Federal Reserve is widely expected to maintain rates at the conclusion of its two-day meeting. Market attention will center on Chair Jerome Powell's post-meeting remarks for guidance on the policy trajectory, particularly amid expectations for at least two rate cuts in 2026. The forward guidance is likely to determine the next directional bias for the USD.

Eurozone & UK markets

EUR/USD surged to a fresh five-year high after comments from US President Donald Trump suggesting the Dollar's decline had not been excessive, triggering broad USD selling pressure of over 1.31% on the day. The pair remains elevated, trading more than 1.30% higher at the time of writing.

GBP/USD extended its advance, positioning for a second consecutive week of gains as persistent trade war rhetoric continued to weigh on Greenback. Sterling is on track to record a third successive monthly gain against the USD, with Cable accelerating toward multi-year highs.

Japan market

The Japanese Yen (JPY) trimmed a part of Asian session losses earlier today and remained close to a nearly three-month high, set against its American counterpart the previous day. Minutes from the Bank of Japan's December meeting indicated consensus among policymakers on the need to continue with gradual rate hikes, lending underlying support to the JPY.

Short-end market Rates

| Country | | | | |
|----------------|-------|--------|-------|-------|
| 91 Day T-Bill | 7.73% | 11.50% | 7.49% | 8.09% |
| 182 Day T-bill | 7.79% | 13.50% | 8.47% | 8.16% |
| 364 Day T-bill | 9.20% | 14.90% | 8.91% | 8.52% |
| Inflation Rate | 4.49% | 3.10% | 3.60% | 5.20% |
| Interbank | 8.98% | 10.56% | 5.92% | 6.85% |

Quotes on the major currencies.

| | Buy | Sell |
|-----|--------|--------|
| USD | 125.00 | 133.50 |
| EUR | 144.75 | 166.64 |
| GBP | 166.83 | 187.96 |
| CHF | 158.41 | 179.77 |
| JPY | 78.49 | 90.14 |
| ZAR | 6.38 | 10.94 |
| CAD | 87.35 | 102.17 |
| UGX | 0.0279 | 0.0561 |
| TZS | 0.0434 | 0.0652 |
| AED | 30.63 | 41.81 |
| RWF | 0.0514 | 0.1298 |

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% |

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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