

GLOBAL MARKETS

DAILY MARKET NEWS



Thursday, January 29, 2026

Domestic Market Developments

The Kenyan Shilling remained broadly stable against the US Dollar in Mid-week trading session. The local unit's resilience reflected sustained foreign currency inflows from remittances and exports, which have helped offset moderate demand for dollars from importers.

International News

US market

The US Dollar remained under pressure against a basket of major currencies amid lingering uncertainty surrounding US economic policy. At its January meeting, the Federal Reserve maintained the benchmark interest rate within the 3.50%–3.75% range. Fed Chair Jerome Powell noted improvements in the economic outlook and signs of labor market stabilization, while acknowledging ongoing moderation in activity. Market pricing suggests the Fed is likely to remain on hold until at least June. Nonetheless, a hawkish hold could help contain further near-term USD downside.

Eurozone & UK markets

EUR/USD extended losses of over 0.60% following the Fed's decision to keep rates unchanged. Data from Germany indicated an improvement in consumer sentiment, with the GfK Consumer Confidence index rising to -24.1 from -26.9 in January. The survey reflected stronger buying intentions, stable saving patterns, and improved economic and income expectations. Meanwhile, ECB officials voiced concerns that sustained USD weakness could suppress inflation below the Bank's 2% target.

GBP/USD remained close to multi-year highs by Wednesday's close as the USD struggled to regain traction. While the Fed held steady rates as expected, both the policy statement and Chair Powell's remarks offered limited guidance on the timing of potential rate cuts, dampening investor expectations for near-term policy easing.

Japan market

The Japanese Yen remained firm against the softer USD during Thursday's Asian session, though mixed fundamental drivers tempered gains. Ongoing speculation of potential intervention by Japanese authorities to curb currency weakness, alongside the Bank of Japan's hawkish policy stance, continued to lend 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	144.53	166.39
GBP	167.23	188.45
CHF	158.27	179.58
JPY	78.23	89.84
ZAR	6.46	11.08
CAD	87.78	102.67
UGX	0.0279	0.0560
TZS	0.0439	0.0664
AED	30.63	41.80
RWF	0.0514	0.1298

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	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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