

GLOBAL MARKETS

DAILY MARKET NEWS



Monday, February 16, 2026

Domestic Market Developments

The home unit traded flat against its U.S. counterpart as calm engulfed the local foreign exchange market on Friday.

In the new week, the USD/KES pair is likely to remain at the mercy of broader market flows in the absence of any major market moving factors,

International News

US market

The U.S. dollar was mostly flat against peer currencies on Friday following the release of soft inflation CPI data that fueled bets on a Federal Reserve rate cut later in the year. U.S. Labor Department data showed that the annual headline inflation rate slowed to 2.4% last month, down from 2.6% in each of the previous two months and below forecasts of 2.5%. On a monthly basis, inflation eased to 0.2%, compared with expectations that it would remain steady at 0.3%. Investors now turn to the latest Fed minutes, Q4 GDP data, and the Fed-preferred core PCE price index report for further guidance on the monetary outlook. Meanwhile markets today expect holiday-thinned trading as US markets will be closed for the Presidents' Day holiday.

Eurozone & UK markets

The EUR/USD clawed back part of its earlier losses as soft US Consumer Price Index (CPI) data pressures the Greenback.

The Sterling held firm against the dollar yet poised to end the week with a minimal gain of around 0.12% as investors assessed weaker-than-expected UK growth figures. Data from the Office for National Statistics showed the economy expanded by 0.1% in Q4 2025, matching the previous quarter's pace but falling short of forecasts by 0.2%.

Japan market

The Japanese yen started the week on the back foot on Monday, trimming last week's strong gains after Japan's fourth-quarter 2025 growth came in well below expectations. The economy expanded 0.1% QoQ in Q4, rebounding from a 0.7% contraction in Q3 but missing forecasts for a 0.4% increase. Prime Minister Sanae Takaichi recently reaffirmed her commitment to supporting growth through proactive fiscal measures following her landslide victory in the Feb. 8 Lower House election.

Short-end market Rates

Country				
91 Day T-Bill	7.61%	11.50%	7.49%	8.09%
182 Day T-bill	7.77%	13.50%	8.47%	8.16%
364 Day T-bill	8.98%	14.90%	8.91%	8.52%
Inflation Rate	4.4%	3.10%	3.60%	5.20%
Interbank	8.77%	10.56%	5.92%	6.85%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	143.82	166.29
GBP	167.84	186.83
CHF	160.13	178.16
JPY	77.91	89.74
ZAR	6.28	10.90
CAD	88.09	101.37
UGX	0.0282	0.0529
TZS	0.0427	0.0646
AED	30.63	41.81
RWF	0.0598	0.1295

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	GBP
Call	2.90%	0.70%	0.70%	0.0%
1 month	4.45%	1.90%	1.90%	0.0%
3 months	4.45%	1.90%	1.90%	0.0%
6 months	4.60%	1.85%	1.85%	0.0%

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