

GLOBAL MARKETS

DAILY MARKET NEWS



Wednesday, February 25, 2026

Domestic Market Developments

The domestic currency remained steady against the US Dollar on Tuesday's trading session.

Balanced participation from both importers and exporters throughout the session kept price movements in the USD/KES pair contained.

In the near term, we expect the local unit to continue trading within a defined range, with market flows remaining the primary driver of activity in the domestic FX market.

International News

US market

The US Dollar traded higher on Tuesday, rebounding from Monday's losses as investors assessed the US Supreme Court's decision against President Donald Trump's tariffs, along with the fresh round of levies he introduced over the weekend. Meanwhile, several Federal Reserve (Fed) officials reinforced their hawkish tone, emphasizing that inflation needs to ease further before any consideration of rate cuts, providing additional support to Greenback. On the data front, the four-week average of the ADP Employment Change edged up to 12.8K from the previous 11.5K. The data showed that households are becoming increasingly optimistic about the labor market, which is showing signs of stabilizing.

Eurozone & UK markets

EUR/USD was little changed throughout Tuesday as the European Central Bank (ECB) is effectively on hold with inflation near its 2% target.

The Pound edged higher on Tuesday despite the Bank of England (BoE) Governor signaling openness to further monetary easing as markets continued to grapple with uncertainty surrounding US trade policies. Bank of England Governor Andrew Bailey commented that at the March meeting, the question is whether a cut is justified.

Japan market

In early Asian trading, the Japanese yen was held close to a two-week low after reports emerged that Japanese Prime Minister Sanae Takaichi reportedly expressed reservations about further interest rate hikes to Bank of Japan (BoJ) Governor Kazuo Ueda, fueling uncertainty over the central bank's policy outlook and weighing on the currency.

Short-end market Rates

Country				
91 Day T-Bill	7.59%	10.11%	5.09%	8.19%
182 Day T-bill	7.75%	11.66%	5.95%	8.37%
364 Day T-bill	8.90%	12.50%	6.23%	8.66%
Inflation Rate	4.40%	3.20%	3.30%	8.90%
Interbank	8.76%	9.97%	5.00%	7.00%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	142.35	163.80
GBP	163.45	184.10
CHF	157.00	178.05
JPY	76.90	88.30
ZAR	6.36	10.89
CAD	86.80	101.50
UGX	0.0279	0.0559
TZS	0.0434	0.0657
AED	30.65	41.80
RWF	0.0513	0.1296

Indicative Deposit rates

Tenor	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	GBP
Call	2.85%	0.75%	0.0%	0.0%
1 month	4.45%	1.90%	0.0%	0.0%
3 months	4.45%	1.90%	0.0%	0.0%
6 months	4.60%	1.85%	0.0%	0.0%

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



DISCLAIMER: Any opinion or other information in this e-mail is not an invitation to buy or sell any asset class. Legally binding obligations can only arise for or be entered into on behalf of NCBA by means of a written instrument signed by a duly authorized signatory. You are cautioned to ensure that you have made an independent decision in accordance with your own objectives, experience, operational and financial resources and any other appropriate factors including independent professional advice. No guarantee, warranty, or representation is made in respect of the performance or return on any transaction.