

# GLOBAL MARKETS

## DAILY MARKET NEWS



**Monday, March 2, 2026**

### Domestic Market Developments

The Kenyan shilling held steady against the US dollar on the last trading day of the month as a balance of inflows and outflows kept USD/KES movements contained. Ahead of the week, the USDKES pair is likely to trade within the latest trading band with the direction of the pair guided by activity on the respective counters.

### International News

A sharp rise in oil prices and a pivot toward safe-haven investments, prompted by weekend US and Israeli strikes on Iran, are poised to take center stage in markets today. Saturday's coordinated action by American and Israeli forces, which killed Iranian Supreme Leader Ali Khamenei, has thrust the Middle East into renewed turmoil. Concerns over a broader conflict mounted after Tehran fired missiles at Israel and neighboring Gulf Arab nations vital to global oil supplies.

Even before the weekend, markets were on edge following Friday's release of hotter-than-expected US producer price data, the failure of UK mortgage lender Market Financial Solutions Ltd, which sparked a selloff across financial shares and lingering unease over AI that dragged technology stocks lower.

### Eurozone & UK markets

EUR/USD remained steady on Friday, continuing the tight trading range seen throughout the week. The Euro held its ground as the US Dollar struggled to capitalize on stronger-than-anticipated Producer Price Index (PPI) figures.

The British Pound struggled to gain traction on Friday with the pair unable to build on the prior day's rebound from its weekly lows. Growing market expectations for a more dovish Bank of England policy continue to dampen sentiment toward the currency.

### Japan market

USD/JPY kicked off the week on a firm note, climbing toward last week's high as escalating Middle East conflict boosted demand for the US Dollar.

The coordinated US-Israel strike on Iran has sent shockwaves through global markets, with investors eyeing the risk of Strait of Hormuz disruptions that could send oil prices soaring and threaten the global economy. This environment is reinforcing the Dollar's status as the premier reserve currency, underpinning USD/JPY.

### Short-end market Rates

Country				
91 Day T-Bill	7.58%	10.11%	5.09%	8.19%
182 Day T-bill	7.80%	11.66%	5.95%	8.37%
364 Day T-bill	8.79%	12.50%	6.23%	8.66%
Inflation Rate	4.40%	3.20%	3.30%	8.90%
Interbank	8.77%	9.97%	5.00%	7.00%

### Quotes on the major currencies.

	Buys	Sells
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%

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