

GLOBAL MARKETS

DAILY MARKET NEWS



Wednesday, March 4, 2026

Domestic Market Developments

On Tuesday, the local currency traded within a narrow range against the U.S. dollar, as foreign currency flows remained evenly matched across both counters. In the near term, market movements are expected to dictate directionality, in the absence of any unforeseen external economic disruptions.

International News

US market

The U.S. dollar rallied on Tuesday, reaching multi-month highs against the euro, sterling, and yen. This surge was driven by escalating tensions in the Middle East, which intensified concerns over persistent global inflation and spurred widespread demand for safe-haven currencies. The rise in crude oil prices has led traders to reassess the potential for interest rate cuts by major central banks. Higher energy costs risk pushing consumer prices up, especially in economies that rely heavily on oil imports, prompting policymakers to proceed cautiously with any monetary easing. On the fourth day of the conflict, Israeli and U.S. forces carried out strikes on targets across Iran, prompting retaliatory actions from Iranian forces around the Gulf as the violence extended into Lebanon.

Eurozone & UK markets

The Euro depreciated on Tuesday, pressured by broad-based strength in the U.S. dollar. Within the Eurozone, February inflation data came in above expectations, although it remained below the European Central Bank's 2% target. The Harmonized Index of Consumer Prices rose 1.9% year-on-year, accelerating from 1.7% in the prior month.

The Cable continued its losing streak against the dollar on Tuesday. Rising oil prices resulting from the tensions threaten to exert upward pressure on UK inflation, prompting markets to temper expectations for a March rate reduction. The shift in sentiment was reflected in UK government bond markets, where yields rose sharply as traders adjusted their outlook on the future path of monetary policy.

Japan market

The Japanese yen strengthened in the early Asian session, gaining support from hawkish commentary from Japanese officials. BoJ Deputy Governor Ryozi Himino stated on Monday that while the policy stance appears accommodative, the central bank should proceed with moderate interest rate increases provided its economic and inflation projections continue to be met.

Short-end market Rates

Country				
91 Day T-Bill	7.58%	10.11%	4.85%	8.19%
182 Day T-bill	7.80%	11.66%	5.75%	8.37%
364 Day T-bill	8.79%	12.50%	6.17%	8.66%
Inflation Rate	4.40%	3.20%	3.30%	8.90%
Interbank	8.77%	9.97%	6.00%	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%	0.75%	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%

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.