

GLOBAL MARKETS

DAILY MARKET NEWS



Friday, March 13, 2026

Domestic Market Developments

The domestic unit's movement against the dollar was restricted within a tight range in Thursday's rather lull session, as balanced flows dominated the local FX counters throughout the trading session.

As we head into the weekend, the Kenya Shilling is expected to be resilient against the American dollar as flows in the market are likely to guide the direction.

International News

US Dollar rebounded against major currencies on Thursday after Iran conflict sparks Oil volatility and safe-haven demand. The conflict between the United States, Israel and Iran continues apace after Iran's military commented that the world should be prepared for Oil to hit \$200 a barrel. Iran has kept the Strait of Hormuz closed and attacked three vessels near it on Wednesday. On Friday, market participants will be looking for the US PCE Price Index release. The country will publish January data, after December figures showed core PCE inflation at 3%.

Eurozone & UK markets

The Euro remained on the back foot against the US Dollar on Thursday, with EUR/USD extending losses for the third straight day as the escalating US-Iran war keeps the Greenback firmly bid. Markets are now fully pricing in an ECB rate hike as soon as the July meeting. However, the Euro is struggling to draw meaningful support as higher energy prices threaten the Eurozone's economic outlook due to the region's heavy reliance on imported energy.

The GBP/USD traded mostly flat on Thursday after losing earlier gains. The UK finance minister, Rachel, said it is too early to introduce measures to protect households from rising energy prices caused by the Middle East conflict. Meanwhile, 85% of economists expect the Bank Rate to remain at 3.75% on March 19, with forecasts pointing to a possible cut to 3.25% by the end of September.

Japan market

The USD/JPY pair met with some supply during the Asian session on Friday, and for now, seems to have snapped a three-day winning streak back to the year-to-date high. Traders might also opt to wait for the release of the US PCE Price Index, later today, for more cues about the Fed's rate-cut path. This, in turn, might influence the USD price dynamics and provide some impetus to the USD/JPY pair.

Short-end market Rates

Country				
91 Day T-Bill	7.56%	10.11%	4.85%	8.19%
182 Day T-bill	7.85%	11.66%	5.75%	8.37%
364 Day T-bill	8.48%	12.50%	6.17%	8.66%
Inflation Rate	4.40%	3.20%	3.30%	8.90%
Interbank	8.67%	9.97%	6.00%	7.00%

Quotes on the major currencies.

	Buy	Sell
USD	125.00	133.50
EUR	138.73	160.47
GBP	161.13	181.57
CHF	154.05	174.76
JPY	75.08	86.22
ZAR	6.02	10.35
CAD	87.02	101.75
UGX	0.0267	0.0535
TZS	0.0429	0.0647
AED	30.62	41.81
RWF	0.0512	0.1294

Indicative Deposit rates

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

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