

GLOBAL MARKETS

DAILY MARKET NEWS



Monday, March 16, 2026

Domestic Market Developments

The Kenyan Shilling remained largely stable against the U.S. Dollar on Friday, indicating a calm and well-balanced foreign exchange market. Trading activity was relatively muted, while overall conditions in the domestic market suggested stable liquidity and minimal volatility in the FX market.

International News

The US Dollar has recently strengthened broadly against most major currencies, supported by increased safe-haven demand and escalating geopolitical tensions. The US Dollar Index climbed above the 100 level, approaching its highest point since November, highlighting solid demand for the greenback in global markets.

Meanwhile, rising oil prices and growing tensions around the Strait of Hormuz are heightening inflation concerns, leading investors to reassess expectations for Federal Reserve policy ahead of key US economic data releases. Despite the risk-averse market backdrop, Gold (XAU/USD) has declined for a second consecutive week, as strengthening inflation fears continued to support the US Dollar.

Eurozone & UK markets

The EUR/USD pair remains under strong downward pressure, extending its losses for a fourth straight session and dropping to new yearly lows. Meanwhile, the US Dollar continues to strengthen, reaching fresh highs as investors stay cautious due to ongoing tensions in the Middle East.

The GBP/USD pair declined to new yearly lows as risk-sensitive assets broadly retreated toward the end of the week. Meanwhile, Cable weakened due to rising demand for safe-haven assets, which continues to support the Greenback amid the current backdrop of heightened geopolitical tensions

Japan market

USD/JPY slipped slightly after recording losses for four consecutive sessions as markets open during Monday's Asian session. Despite the recent pullback, the daily chart still reflects a bullish outlook, with the pair continuing to move within an ascending channel formation.

Following remarks from Japanese Finance Minister Satsuki Katayama, who voiced concern about the yen's recent sharp weakening and said authorities would closely watch market movements and respond to excessive volatility if necessary.

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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