

DOMESTIC NEWS

The home unit succumbed to further losses versus the greenback in Tuesday's fairly active session.

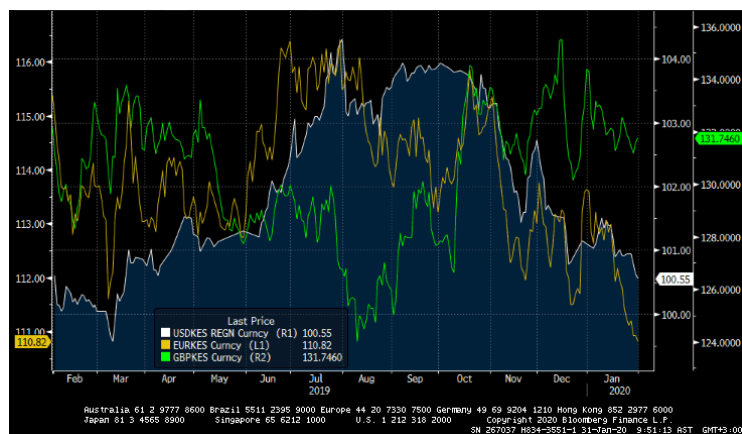
Augmented dollar demand from energy and manufacturing sectors dominated counters through the day amidst dwindling inflows, leaving the USDKES pair's price action skewed to the upside in what was a one way move.

Looking ahead, it remains to be seen whether the depreciation of the home unit will continue and new trading ranges set.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	100.45	108.15
GBP/KES	124.87	133.19
EUR/KES	108.62	118.45
JPY/KES	0.92	1.07

Forward Rate(USD)(1 month)	
BUY	101.40
SELL	109.45
3 Months	
Buy	102.60
SELL	110.90

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.23%	4.18 %	-14.00
91-Day T-bill	7.24%	7.253%	+1.70
182-Day T-bill	8.134%	8.151%	+1.70
364-Day T-bill	9.115%	9.161%	+0.50
Inflation	5.78%	5.62%	-5.00



INTERNATIONAL NEWS

The dollar edged lower on Tuesday weighed by fresh worries about negative interest rates and a poor data print. U.S. consumer prices dropped by 0.8% in April, the largest decline since December 2008, marking the second straight monthly decrease in the CPI. Focus shifts to Federal Reserve Chairman Jerome Powell's speech today in addition to Producer Price Index data.

The Euro rose slightly against the American currency yesterday. Markets await Eurozone Industrial Production data for March and speech by the European Central Bank policymaker Lane that could influence the single currency.

The Pound continued its slide against the dollar, upset by expectations of more easing from the Bank of England and the ongoing BREXIT talks. Today, all eyes will be on critical UK quarter one GDP data.

Earlier today in Tokyo, the USDJPY pair was little changed at 107.20 levels.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	3.00%	0.25%	0.00%
1 month	4.25%	0.25%	0.00%
3 months	4.50%	0.35%	0.00%
6 months	5.00%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.0520	1.1620
GBP	1.180	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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