

DOMESTIC NEWS

The shilling finally caught a break from the recent pressure, gaining some ground versus its American counterpart.

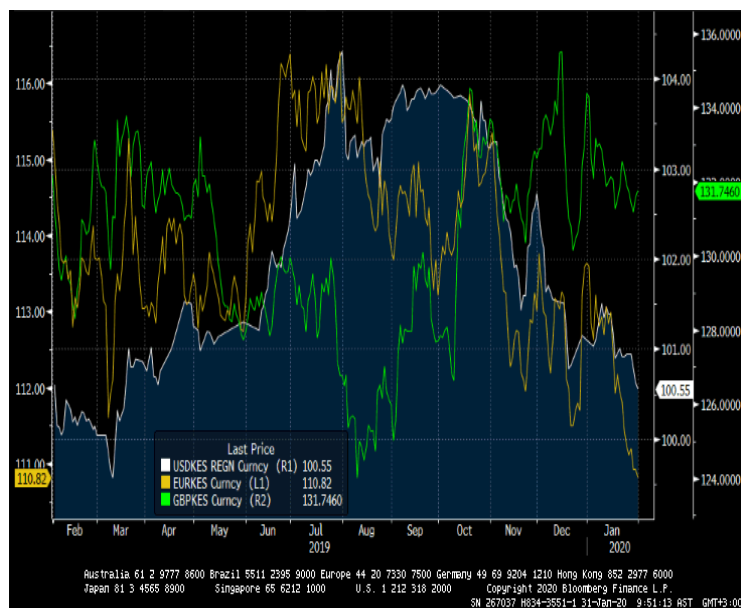
The Monetary Policy Committee yesterday held the Central Bank Rate steady at 7.00% noting that the policy measures adopted in March and April were having the intended effect on the economy, and are still being transmitted.

Looking ahead, indications are that market may hold out at the current range before committing to fresh direction.

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	3.66%	3.45%	-21.00
91-Day T-bill	7.253%	7.266%	+1.30
182-Day T-bill	8.151%	8.192%	+4.10
364-Day T-bill	9.161%	9.173%	+1.20
Inflation	5.78%	5.62%	-5.00


INTERNATIONAL NEWS

The U.S. dollar was down against major currencies after the Federal Reserve Bank of Chicago reported a drop to -16.74 in its national activity index.

Earlier on, U.S. President Donald Trump said that the United States was working on a strong response to China's planned national security legislation for Hong Kong and it would be announced before the end of the week.

The euro rose against the dollar after the European Union's executive unveiled a 750 billion euro plan to prop up the bloc's virus-hit economies.

Pound traded low against the dollar as it was explained that Brexit was back to the fore ahead of talks getting underway at the start of June.

Earlier today in Asia, the USD/JPY pair was up 0.02% as U.S. President Donald Trump promised a U.S. reaction to the national security legislation by the end of the week.

Indicative Deposit Rates				
	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	EUR	USD
Call	3.00%	0.15%	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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