

## DOMESTIC NEWS

Steady and gradual dollar demand in the local currency market, amid a decline in foreign currency inflows, depressed the shilling marginally against the buck.

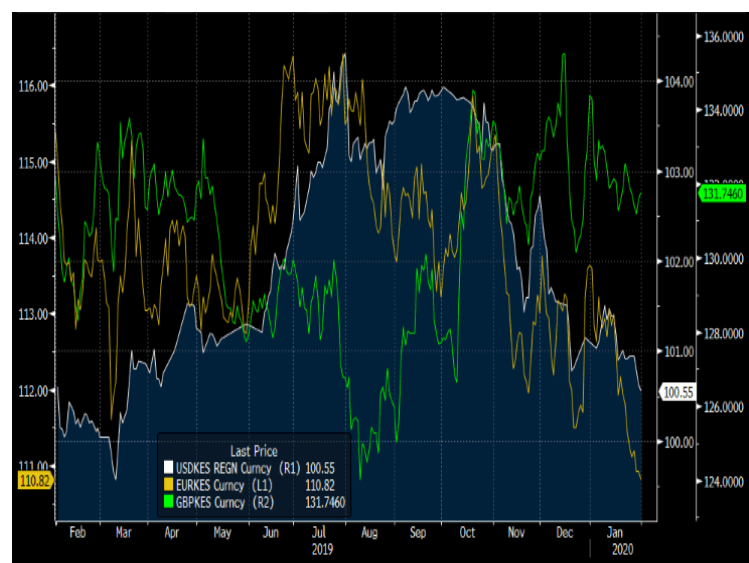
Key counters were muted in early trading, with the pair holding around previous day's closing levels. A slight uptick in foreign currency appetite, later in the day however saw the local unit shed some cents off the USDKES currency pair.

We see the home unit trading within these ranges, albeit with a bearish shade as foreign currency demand from the various sectors continues to manifest.

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	3.12%	2.99 %	-13.00
91-Day T-bill	7.325%	7.333%	+0.80
182-Day T-bill	8.200%	8.248%	+4.80
364-Day T-bill	9.165%	9.198%	+3.30
Inflation	5.62%	5.47%	-15.00



## INTERNATIONAL NEWS

Waning negativity amongst market players regarding the state of the global economy commanded a dint in the U.S dollar in comparison to its peers. Recently released economic data from the U.S as well the ease of lockdown restrictions in major cities helped fuel investors' risk appetite more so for the commodity currencies. That said, it would be interesting to see the outcome of the U.S Federal Reserve meeting which begins its two day meeting today.

The EUR/USD currency leaped higher in spite of dismal industrial output data from Germany. Printed numbers showed that output dipped by 17.9% against an expectation of 16.0%. The single currency has soared recently on the back of the expanding stimulus program announced by the ECB last week.

Similarly, the GBP/USD pair advanced yesterday as sentiments by U.K's Premier to ease lockdowns restrictions and signs the economy may recover due to reserved demand kept the currency just below last week's high.

The Japanese yen rallied against the US dollar, to trade near the 107.90 levels, in early Asian trading after investors' apprehension grew over the U.S Federal Reserve's next move.

Indicative Deposit Rates			
Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	EURO
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	1.0720	1.1820
GBP	1.180	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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