

DOMESTIC NEWS

The home currency succumbed to further pressure from its American counterpart for the third consecutive session.

Paltry dollar inflows from various sectors were inadequate to topple the foreign currency demand from cagey importers, forcing the USD/KES currency pair further north.

We see that the pair will trade within range today, as attention shifts to Ambassador Ukur Yatani's maiden budget reading for the new financial year.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	100.60	108.70
GBP/KES	125.20	139.44
EUR/KES	109.50	126.85
JPY/KES	0.92	1.07

Forward Rate(USD)(1 month)	
BUY	101.65
SELL	109.85
3 Months	
Buy	102.60
SELL	110.90

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.70%	2.59 %	-11.00
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



Source: Bloomberg

INTERNATIONAL NEWS

The U.S dollar carved out a new trough yesterday, sinking to a fresh three-month low against a basket of major currencies following the Federal Reserve resolve to hold status quo, as anticipated. The fed vowed to continue with its current level of asset purchases in order to stabilize both the labour market and the economy. They projected that the economy would dip by 6.5% this year and the unemployment rate would rise to 9.3%

The euro was the star currency in yesterday's trading as it broke through key resistance levels to reach a high of 1.1422 on the back of a poor performance by the buck.

The GBP/USD currency pair rose marginally, owing to a weaker dollar and held on to its ranges against the euro. Britain's large coronavirus death toll, Brexit uncertainty and the prospect of negative interest rate has poured water on the currency ascent.

Earlier today in Tokyo, the safe-haven yen rose to a one-month high, to trade near the 106.90 levels after the U.S Federal Reserve's sour economic view startled traders.

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	1.0720	1.1820
GBP	1.180	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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