

DOMESTIC NEWS

The Kenya Shilling edged slightly lower against its U.S. counterpart on the back of increased foreign currency demand.

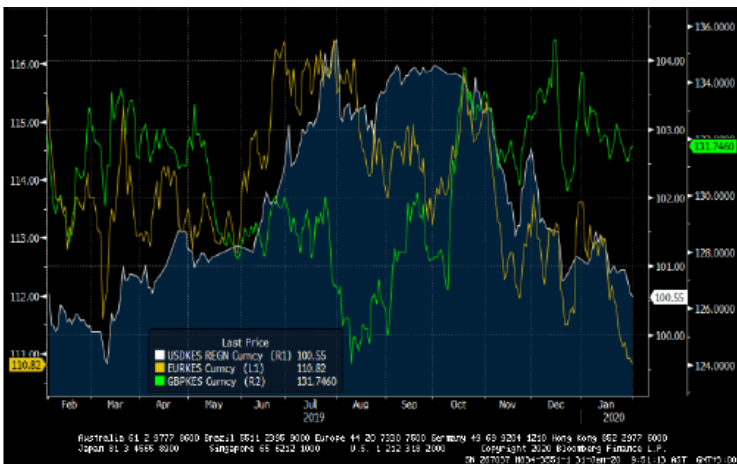
Subdued market activity continued to characterize the session for the better part of the day. A late afternoon dollar buy-off by corporate and interbank players saw the USDKES currency pair close 5 cents higher.

In today's session, we expect the USD/KES pair will continue to fight it out within familiar ranges pending any inimitable news that could tilt the scale to either side.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	99.40	109.45
GBP/KES	125.22	137.50
EUR/KES	110.90	124.40
JPY/KES	90.96	107.90

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	4.23%	3.75%	-48.00
91-Day T-bill	7.259%	7.089%	-17.00
182-Day T-bill	8.060%	7.739%	-32.1
364-Day T-bill	9.030%	8.667%	-36.30
Inflation	5.62%	5.47%	-15.00



INTERNATIONAL NEWS

The dollar bounced sharply from session lows on Wednesday on renewed safe-haven demand on fears that the progress over reopening the economy could be rolled back as coronavirus cases continue to mount. The U.S. dollar index, which measures the greenback against a trade-weighted basket of six major currencies, rose 0.48%, to 96.07.

GBP/USD dropped down 0.10% in Wednesday's session. The Cable pair failed to cheer the recent Brexit-positive signs amid the broad greenback strength backed by risk-off sentiment. Elsewhere, EU's chief negotiator Michel Barnier stated that Britain can still achieve a post-Brexit trade deal with the European Union as long as the UK stops "backtracking" on its commitments.

French President Emmanuel Macron and German Chancellor Angela Merkel are scheduled to meet on June 29 to discuss the EU recovery fund proposal. The pick-up in pace of the EU fund approvals could render EUR-positive. However, the shared currency remains vulnerable amid the US-EU trade war and broad risk-aversion.

The USD/JPY receded from an intraday high of 107.15 to 107.06 during the initial Asian session.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	3.00%	0.25%	0.00%
1 month	4.70%	0.25%	0.00%
3 months	5.25%	0.35%	0.00%
6 months	5.50%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.0520	1.1520
GBP	1.1800	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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