

DOMESTIC NEWS

The Kenya shilling found reprieve against the dollar on Friday to close 10 cents higher from the previous day.

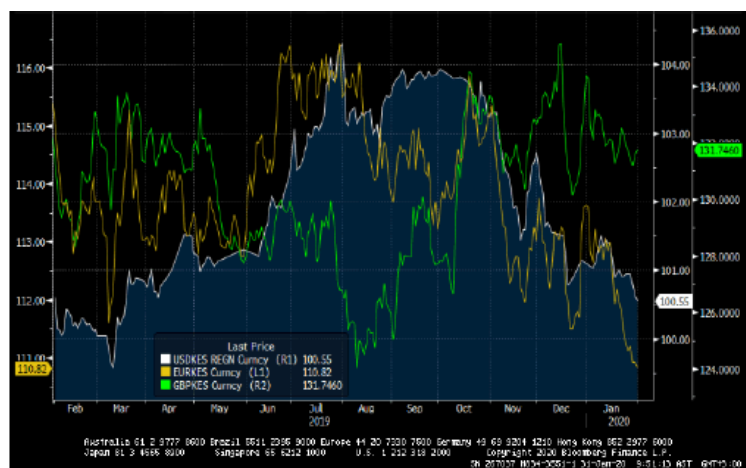
Increased inflows in a thin market matched dollar demand and pushed the home unit higher against the buck.

Ahead of the week, we expect the USDKES currency pair to remain range bound around current levels.

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	3.75%	3.89%	+14.00
91-Day T-bill	7.089%	6.700%	-38.00
182-Day T-bill	7.739%	7.395%	-34.4
364-Day T-bill	8.667%	8.194%	-47.30
Inflation	5.62%	5.47%	-15.00



INTERNATIONAL NEWS

The dollar traded higher on Friday against a basket of currencies as the market became cautious over the resurgence of corona virus cases in the US. This cast doubt on the expected V-shaped recovery of the economy with likely extension of lockdown measures in the new wave of cases. In the week ahead, Manufacturing PMI and labor data are scheduled for release.

The euro traded higher against the dollar in a choppy market owing in a part to expiry of options to the tune of \$2 billion maturing. During the week, the single currency gained 0.4% against the dollar as optimism over a united response from the EU on a recovery stimulus pushed it higher.

The Sterling hit a one-month low on Friday owing to uncertainty over Britain's likelihood to settle on a deal with the EU. Demand for the safe haven dollar also weighed down the currency pair with the rise in the global corona virus cases. Brexit negotiations and COVID-19 resurgence will likely weigh on the direction of the currency pair.

The Japanese yen held steady against the US dollar in the Asian market with falling equities and market caution fueled risk off sentiment. Retail data released this morning showed a 12.3% decline against an expectation of -11.7%

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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