

### DOMESTIC NEWS

The home unit was marginally softer against the greenback amid increased dollar demand from the Corporate sector.

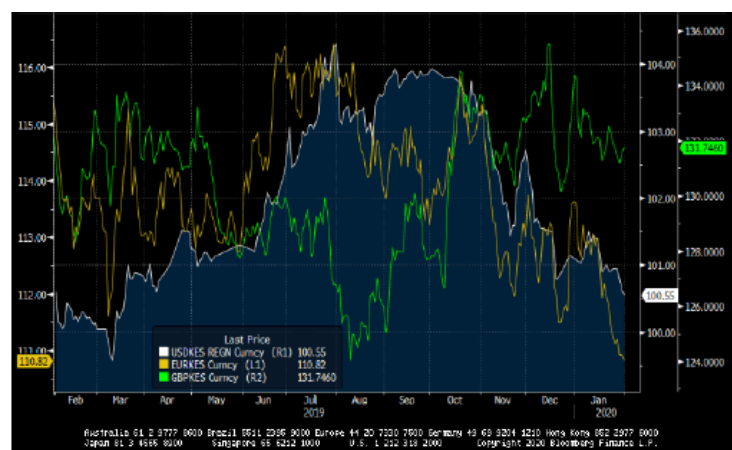
The local unit was steady in the morning session characterized by thin trading volumes. Later in the day, dollar demand from the Corporate sector was seen which outweighed supply, leading the shilling to close marginally weaker against the greenback.

In the day ahead, market chatter alludes to range bound trading, as flows will be the key determinant for the direction of the USDKES pair.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	101.80	111.20
GBP/KES	135.50	147.00
EUR/KES	120.50	132.80
JPY/KES	96.00	110.00

Forward Rate(USD)(1 month)	
BUY	102.00
SELL	111.60
3 Months	
Buy	102.50
SELL	112.40

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.78%	2.54%	-24.00
91-Day T-bill	6.309%	6.400%	+5.70
182-Day T-bill	6.773%	6.839%	+3.90
364-Day T-bill	7.69%	7.774%	-0.90
Inflation	4.59%	4.36%	-23.00



### INTERNATIONAL NEWS

The dollar was stronger against a basket of currencies yesterday, following risk aversion after U.S President Donald Trump's shock cancellation of talks on the latest economic stimulus measures until after the Nov 3 presidential elections, which increases downside risks to the US economic recovery. Federal Reserve chairman Jerome Powell also warned that the US economy could slip into a downward spiral if the virus was not effectively contained and called for more economic assistance. Markets will now concentrate on data releases and speeches from other FED speakers this week.

The Euro was well bid during the European trading session on broad based dollar weakness, but lost ground after risk aversion following cancellation of economic stimulus talks by President Donald Trump. The economic calendar remains light for the day and markets will focus on risk appetite to guide direction for the EURUSD pair.

GBP/USD failed to convincingly break above 1.3000 levels amid fresh Brexit fears. Trump's coronavirus and US fiscal stimulus issues continued to weigh on cable following risk aversion later in the New York trading session, leading the currency 1% lower.

The dollar moved upwards on Wednesday morning in Asia, with investors digesting U.S. President Donald Trump's shock cancellation of talks on the latest stimulus measures.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	2.75%	0.25%	0.00%
1 month	4.70%	0.25%	0.00%
3 months	5.00%	0.35%	0.00%
6 months	5.25%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	110.82	124.40
GBP	1.2520	1.3950
JPY	99.65	114.50
CHF	0.8320	0.9730

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