

DOMESTIC NEWS

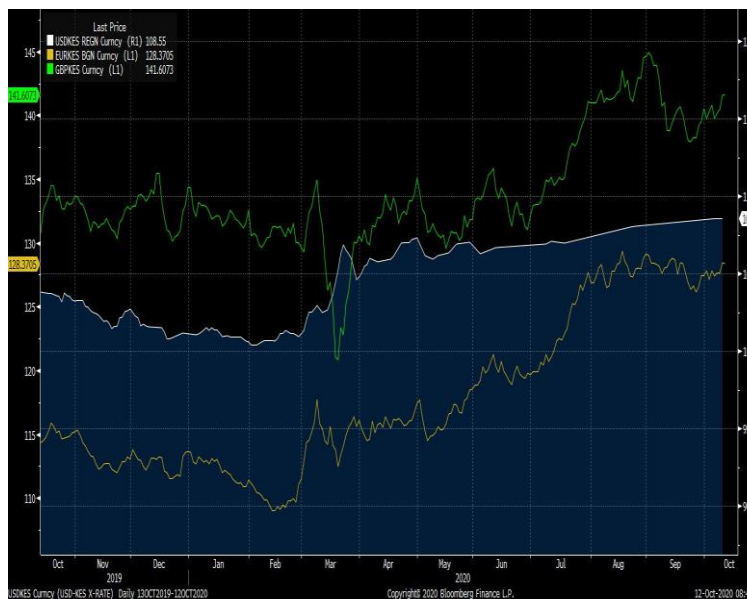
Market activity in the local scene favored the dollar as it traded higher against the local currency.

The Kenya shilling has been under pressure as dollar demand from various sectors amidst muted foreign currency supply, pushing the USDKES pair to close slightly stronger from the day's opening levels.

In the week ahead, we expect USDKES to trade within confined ranges with a bias of a weaker shilling.

Amounts "100,000"	Today's Opening		Forward Rate(USD)(1 month)	
	Buy TT	Sell TT	BUY	SELL
USD/KES	103.55	113.55	103.95	114.55
GBP/KES	135.70	148.00		
EUR/KES	121.40	134.15		
JPY/KES	97.85	110.10		
			3 Months	
			Buy	104.75
			SELL	115.55

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.34%	2.08%	-22.00
91-Day T-bill	6.400%	6.468%	+6.80
182-Day T-bill	6.839%	6.853%	+1.40
364-Day T-bill	7.744%	7.762%	+1.80
Inflation	4.36%	4.20%	-16.00



INTERNATIONAL NEWS

The greenback extended its losses, dropping 0.54% against its peers, in Friday's session. Stimulus talks from the White house and increasing chances of a democratic win, both for the President and the senate, fueled the risk on sentiment. President Trump called for a relief bill directed to the airline sector that has been hard hit due to the coronavirus pandemic. Key economic data due this week include September inflation and retail sales and October consumer sentiment.

The Euro continued its gain against the US dollar, gaining 0.57%. The market remains bullish with expectations of higher levels for the common currency. Concerns over rising coronavirus cases may however temper the move higher. Eurozone's economic calendar is light today; the pair could however take cues from ECB President, Christine Lagarde's speech.

The British pound edged higher on Friday against a weak dollar and investor optimism about Brexit negotiations. Cable's volatility has intensified in the last two weeks owing to mixed headlines around Brexit talks. Investors ignored the GDP miss in August, which came in at 2.1%, the lowest increase since May

The safe-haven yen traded higher against the king dollar in the Asian market as talks on the US stimulus package hit a wall. In today's session, risk catalysts may weigh in on the currency pair, however no major surprises are expected.

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

Indicative Cross Rates		
	Buy	Sell
EUR	1.1240	1.2640
GBP	1.2520	1.3950
JPY	99.65	114.50
CHF	0.8320	0.9730

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