



## **DOMESTIC NEWS**

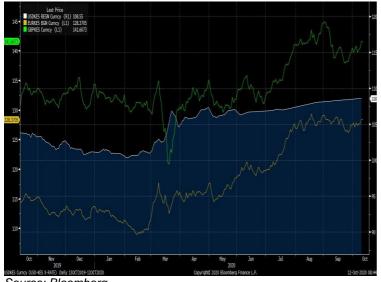
The shilling debilitated slightly against the greenback yesterday, closing the day marginally lower.

The home unit's slow march south was a consequence of the amplified dollar appetite from both corporate and interbank players, who contended for the erratic foreign currency inflows.

We expect that the USDKES currency pair will remain within the current stranglehold, albeit with a bearish predisposition, as market continues to be flow driven.

Amounts	Today's Opening		Forward Rate	(USD)(1 month
"100,000"			BUY	104.00
	Buy TT	Sell TT	SELL	114.55
USD/KES	103.60	113.60		
GBP/KES	134.63	147.04	3 N	onths
EUR/KES	120.41	133.44	Buy	104.75
JPY/KES	97.77	112.68	SELL	115.55

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.05%	2.05%	0.00
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



Source: Bloomberg

## **INTERNATIONAL NEWS**

The greenback stood tall yesterday as market shied away from riskier assets after Johnson & Johnson halted its COVID-19 vaccine trials after the sudden illness of one of its study participants. Further impetus for the U.S dollar ascended from the stalemate surrounding the U.S fiscal stimulus discussions between the U.S democrats and Republicans, with market predicting that an agreement is highly unlikely before the end of the November general elections.

The EUR/USD pair posted marginal losses on the back of broad dollar strengthening as well as increased restrictions in Europe due to rising Corona Virus infections.

Cable was marginally lower on Tuesday owing to the newly imposed lockdown restrictions in the U.K, due to fears of a second wave of corona virus infections, which investors believe may hamper economic activity. Indecisions surrounding the Brexit talks as well as reports that the BOE may adopt negative rates weighed down further on the pound.

In early Asian trading, the USD/JPY currency pair traded higher, even as it held on to previous session's gains, owing to setbacks surrounding the development of a COVID-19 treatment.

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	1.1240	1.2640		
GBP	1.2520	1.3950		
JPY	99.65	114.50		
CHF	0.8320	0.9730		

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