

### 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 USD/KES currency pair will remain within the current stranglehold, albeit with a bearish predisposition, as market continues to be flow driven.

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



### 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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