

DOMESTIC NEWS

It was a dull end to the week, with the Kenya shilling little changed against its American counterpart.

Trivial dollar demand from importers was sufficiently met by foreign currency inflows from various sectors of the economy, leaving the local currency unmoved from the previous close.

Devoid of any major market moving events, we expect the shilling to continue trading within these elevated levels.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	103.80	112.95
GBP/KES	136.88	148.36
EUR/KES	121.65	133.78
JPY/KES	98.62	112.73

Forward Rate(USD)(1 month)	
BUY	104.20
SELL	114.60
3 Months	
Buy	104.75
SELL	115.55

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.30%	3.34%	+4.00
91-Day T-bill	6.653%	6.666%	+1.30
182-Day T-bill	7.038%	7.072%	+3.40
364-Day T-bill	7.933%	7.994%	+6.10
Inflation	4.36%	4.20%	-16.00



Source: Bloomberg

INTERNATIONAL NEWS

The U.S dollar was pressured by elections' uncertainty and equities strength on Friday. Investors welcomed the news from the US presidential election with equity markets surging as Joe Biden took the lead. However, uncertainty remained, as the Republicans will keep control of the senate, which is likely to block many of the democrats' plans including the large stimulus plan or any attempt to raise taxes. On the data front, a better than expected US Non-Farm Payrolls report printed a 638K increase in employment in October, while the unemployment rate contracted to 6.9% from 7.9%.

The EUR/USD pair extended its rally on Friday to reach its highest since mid-September. With broad risk-on mood weighing on the US dollar's safe-haven demand. Today, Germany will publish the September trade balance, while the EU will unveil November Sentix Investor Confidence.

Cable powered higher against a broadly weaker US dollar on Friday, as market participants focus was on the US elections. This week focus will likely shift to Brexit trade talks.

Earlier today in Tokyo, broad dollar weakness had the yen trading a touch firmer against the U.S. dollar.

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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