DOMESTIC NEWS

The local currency was a tad weaker yesterday as demand for the greenback continued to mount.

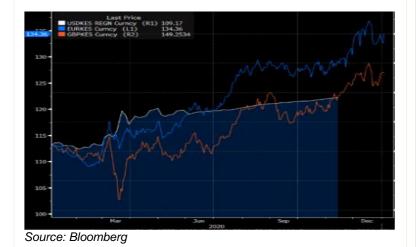
Insufficient inflows from various sectors of the economy weighed on the local currency as demand for the greenback continued to persist through the day leading the USDKES pair to close the day five cents higher from previous close.

We expect the shilling to continue trading with a mildly bearish bias as flows are likely guide the direction.

Amounts	Today's	
"100,000"	Opening	
	Buy TT	Sell TT
USD/KES	104.90	112.65
GBP/KES	144.55	154.65
EUR/KES	125.25	136.75
JPY/KES	102.45	111.75

Forward Rate(USD)(1 month)				
BUY	105.65			
SELL	115.65			
3 Months				
Buy	106.05			
SELL	117.00			

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.55%	5.62%	+7.00
91-Day T-bill	6.884%	6.983%	+9.90
182-Day T-bill	7.522%	7.508%	-1.40
364-Day T-bill	8.445%	8.508%	+6.30
Inflation	5.30%	5.60%	+0.30



INTERNATIONAL NEWS

The dollar rose on Wednesday as investors turned more cautious on riskier assets amid growing worries about the economic impact of the COVID-19 pandemic. A stock market rout due to concerns about excessive valuations also boosted safe-harbour demand for the U.S. currency. The U.S. Federal Reserve kept monetary policy unchanged as expected on Wednesday but did signal some concern about the pace of economic recovery.

The euro was lower after the German government on Wednesday slashed its growth forecast for Europe's largest economy to 3% this year, a sharp revision from last autumn's estimate of 4.4%, caused by a second coronavirus lockdown.

Sterling saw a muted reaction on the release of the latest FOMC monetary policy decision, the bank held its policy settings steady as expected.

Earlier today in Asia, the dollar extended its gains against the yen as a stock market rout due to concerns about excessive valuations boosted safe-harbour demand for the U.S. currency.

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	1.1210	1.2800		
GBP	1.2690	1.4480		
JPY	99.50	114.35		
CHF	0.8350	0.9340		

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