

### DOMESTIC NEWS

Muted activity persevered in the local FX scene yesterday, seeing the USDKES pair remain unmoved on the day as foreign currency demand and supply evened out.

Meanwhile, in the money market space, the Central Bank of Kenya was in the market to mop KES 15B in excess liquidity through 7-day Term Auction Deposits (TADs). The regulator received bids worth KES 5.8B and accepted only KES 3.4B at the average rate of 6.31%.

Market chatter alludes to range bound trading, with the USDKES currency pair holding within the now tight but familiar range.

Amounts "100,000"	Today's Opening		Forward Rate(USD)(1 month)	
	Buy TT	Sell TT	BUY	SELL
USD/KES	104.90	112.65	105.65	115.65
GBP/KES	144.55	154.65		
EUR/KES	125.25	136.75		
JPY/KES	102.45	111.75		
			3 Months	
			Buy	106.05
			SELL	117.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.79%	5.72%	+7.00
91-Day T-bill	6.983%	6.897%	-8.60
182-Day T-bill	7.508%	7.578%	+7.00
364-Day T-bill	8.508%	8.623%	+11.50
Inflation	5.30%	5.60%	+0.30



Source: Bloomberg

### INTERNATIONAL NEWS

The U.S dollar appreciated to six-week highs against most major rivals on Monday, despite a worse than expected US ISM manufacturing index. The move was attributed to evidence pointing towards a stronger recovery from the coronavirus pandemic for the United States than for other countries.

The EUR/USD pair slipped slightly on broad based dollar strength yesterday. Earlier in the day, the data published showed that the Unemployment Rate in the Eurozone remained unchanged at 8.3% in December as expected. Additionally, the IHS Markit's Manufacturing PMI came in at 54.8 in January's final reading, slightly better than the flash estimate of 54.7.

The GBP/USD pair held lower ground on Monday, failing to cheer upbeat news from the UK as the US dollar index rose. Looking ahead, a lack of major data in the economic calendar today will push GBP/USD traders to keep their eyes on macro news for a fresh direction.

Earlier today in Tokyo, the USDJPY pair printed losses to trade at 104.85 levels.

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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