## **DOMESTIC NEWS**

The Kenya shilling traded flat against the U.S. dollar in Tuesday's session as foreign currency flows continued to even out.

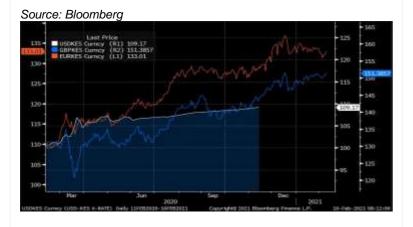
In a relatively quiet session, the local unit held steady versus the greenback on the back of matching flows on both the demand and supply counters as major market players remained on the sidelines.

Looking ahead, we anticipate the shilling to trade within familiar territory amidst dwindling trading volumes.

Amounts	Today's	
"100,000"	Opening	
	Buy TT	Sell TT
USD/KES	103.90	112.25
GBP/KES	144.80	155.10
EUR/KES	124.18	136.22
JPY/KES	99.65	110.05

Forward Rate(USD)(1 month)				
BUY	106.20			
SELL	112.95			
3 Months				
Buy	106.75			
SELL	115.00			

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.96%	4.86%	-10.00
91-Day T-bill	6.911%	6.931%	+2.00
182-Day T-bill	7.684%	7.722%	+3.80
364-Day T-bill	8.931%	9.014%	+8.30
Inflation	5.62%	5.69%	+7.00



## **INTERNATIONAL NEWS**

The dollar on Tuesday backed off its 3-1/2-month high as U.S. Treasury yields stabilized ahead of key inflation data and Treasury auctions this week, boosting riskier currencies such as the pound, Australian dollar and Kiwi dollar. The save-haven dollar index was down 0.46% on the day as U.S. 10-year Treasury bond yields eased to 1.544% after reaching 1.613% on Monday, close to its 13-month high.

EUR/USD fell to a new 3-1/2-month low on Tuesday after breaking the Nov. 24 daily trough. It later turned positive on the session, as an unexpected rise in German exports in January helped the euro.

Cable was up 0.54%, supported by positive developments in Britain's vaccination programme. More than 22 million people have already had the first dose of a COVID-19 vaccine in the UK which has encouraged demand for UK assets.

Earlier in Asia, the USD/JPY pair was up 0.32%. The dollar traded 0.3% higher against its fellow safehaven currency, after retreating from a ninemonth high.

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	1.1290	1.2690		
GBP	1.3150	1.4650		
JPY	100.60	112.60		
CHF	0.8160	0.9660		

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