

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 "100,000"	Today's 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

Source: Bloomberg



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 safe-haven currency, after retreating from a nine-month 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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