

DOMESTIC NEWS

The local currency was little changed against the greenback as muted activity persevered in the local FX scene yesterday.

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.

Market chatter alludes to range bound trading, with the USDKES currency pair holding within the recent ranges.

Amounts "100,000"	Today's Opening		Forward Rate(USD)(1 month)	
	Buy TT	Sell TT	BUY	SELL
USD/KES	103.95	112.35	106.20	112.95
GBP/KES	145.90	156.50	3 Months	
EUR/KES	121.95	133.15	Buy	106.75
JPY/KES	96.85	104.75	SELL	115.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.71%	5.59%	-12.00
91-Day T-bill	7.024%	7.071%	+4.70
182-Day T-bill	7.832%	7.884%	+5.20
364-Day T-bill	9.144%	9.213%	+6.90
Inflation	5.62%	5.69%	+36.00



Source: Bloomberg

INTERNATIONAL NEWS

The dollar appreciated sharply against most of its rivals, in a mixture of risk aversion and encouraging comments from US Federal Reserve officials. The USD rise was further fueled by fears of a full-fledged West versus China tussle, after an alliance among the US, the UK, Canada and the European Union (EU) harshly criticizing human rights violations in Xinjiang. Brussels went a step farther to levy sanctions on Beijing diplomats, which Beijing retaliated with similar sanctions.

The EURUSD pair slipped on Tuesday, undermined by coronavirus related news as atleast two countries, Germany and the Netherlands announced an extension of their current lockdowns to mid-April.

The GBPUSD pair remained in negative territory yesterday, touching its lowest level since February; cable respects the US dollar's broad strength amid a risk-off mood while ignoring the coronavirus vaccine optimism in the UK. Looking ahead, the UK's Consumer Price Index (CPI) data for February will be the immediate catalyst for the GBPUSD pair.

Earlier today in Tokyo, the safe haven yen was broadly higher at 108.50 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	1.1110	1.2710
GBP	1.3110	1.4510
JPY	100.80	112.80
CHF	0.8465	0.9765

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