



13th April 2021

DOMESTIC NEWS

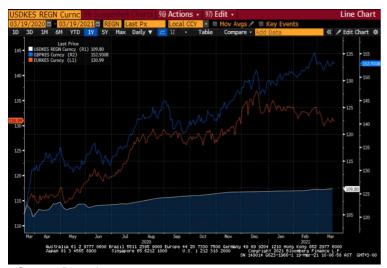
The home unit continued last week's rally against the US Dollar on the first trading day of the week.

The greenback trooped lower following a barrage of foreign currency flows amidst trifling demand with the home unit knocking off 20 units from the dollar. The central bank was also in the market injecting KES 21.75B in liquidity through 7-day reverse repos at the average rate of 7.33%.

The outlook remains glossy for the local unit in the week ahead as flows propel the USDKES lower.

Amounts	Today's Opening		Forward Rate(U	SD)(1 month)
"100,000"			BUY	102.10
	Buy TT	Sell TT	SELL	111.00
USD/KES	101.80	110.00	0111	
GBP/KES	139.45	151.70	3 Mc	onths
EUR/KES	119.80	130.45	Buy	102.80
JPY/KES	92.84	102.40	SELL	113.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.59%	4.79%	+120.00
91-Day T-bill	7.085%	7.096%	+1.10
182-Day T-bill	7.910%	7.914%	+0.40
364-Day T-bill	9.308%	9.366%	+5.8
Inflation	5.78%	5.90%	+12.00



Source: Bloomberg

INTERNATIONAL NEWS

The dollar slipped towards a three-week low as Treasury yields held above recent lows on Monday with traders awaiting highly anticipated U.S. inflation and retail sales data and as Treasury Department saw solid demand for new sales of three-year and 10-year notes.

The Euro was little changed; gaining 0.06%, on the day as Treasury yields dipped from session highs but were higher on the day as investors eagerly await the US CPI data release for a fresh trading impetus.

Cable rose 0.26% as traders cheered the latest phase of the British government's economic reopening plans following easing of some UK measures but analysts lockdown have cautioned that the boost to sterling from being ahead in the vaccine race could be short-lived as other countries catch up.

The dollar fell 0.19% versus the Japanese currency in Asian Trading with traders noting U.S. dollar net short positions have fallen to their lowest in nearly three years, which could prove a headwind for further dollar gains against most G10 currencies.

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	0.9865			

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