

## DOMESTIC NEWS

The tide continued to turn in favour of the Kenya Shilling during Tuesday's trading session as a result of improved foreign currency supply.

The continued increase in corporate activity on the supply counter outweighed dollar buyers for a second day, and exerted downward pressure on the USDKES currency pair throughout the session to close the day 45 cents lower.

Further appreciation of the domestic unit may be in the offing, at least in the short term, if the recent dollar sell-off persists.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	101.35	110.05
GBP/KES	141.25	153.80
EUR/KES	119.10	132.20
JPY/KES	93.20	102.90

Forward Rate(USD)(1 month)	
BUY	102.10
SELL	111.25
3 Months	
Buy	103.05
SELL	113.55

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.95%	4.76%	-19.00
91-Day T-bill	7.115%	7.139%	+ 2.40
182-Day T-bill	7.925%	7.989%	+ 6.40
364-Day T-bill	9.460%	9.474%	+1.40
Inflation	4.67%	5.90%	+12.00



Source: Bloomberg

## INTERNATIONAL NEWS

The U.S. dollar traded sideways against a basket of major currencies in early Tuesday trading after comments from the U.S. Treasury Secretary Janet Yellen regarding ramping up interest rates to prevent the U.S. economy from overheating. The greenback later posted some gains on account of encouraging data where U.S. goods and services deficit widened to \$74.4 billion in March, slightly better than market expectations of \$74.5 billion.

The euro erased some earlier gains against the dollar after ECB's Vice-President L.De Guindos said that the central bank could start phasing out current stimulus measures once the vaccine rollout picks up and the block's economic recovery gathers further steam.

The pound consolidated its gains against the dollar despite some Brexit chaos, where the Northern Ireland Agriculture Minister warned of legal action over post-Brexit trading arrangements, while concerns were raised by U.K. exporting companies who may face disruptions and bureaucratic complications.

The Japanese Yen was virtually unchanged against the dollar earlier this morning, being a third consecutive day off in Japan.

### 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	1.1215	1.2815
GBP	1.3095	1.4695
JPY	104.40	114.40
CHF	0.8330	0.9930

ISSUED BY NCBA, NAIROBI P.O. BOX 30437, TEL 2884000, 2734555, 2734661-5 FAX # 2734616, REUTERS DEALING – CBAF, REUTERS INFORMATION CBAN. This Newsletter is produced as a service to our clients. It is prepared by our dealing professionals & is based on their understanding & interpretation of market events. The bank cannot however be held responsible for any losses of whatever nature sustained as a result of action taken based on comments contained in this publication