

## DOMESTIC NEWS

The Kenya shilling lost marginal ground against the U.S. dollar for the second consecutive session on the back of increased dollar demand.

An uptick in corporate activity on the dollar demand counter outweighed supply, exerting upward pressure on the USD/KES currency pair, resulting in the shilling shedding 5 cents by the closing bell.

Given the current trading levels for the domestic unit, we still see a range bound theme dominating trading, as flows continue to guide the direction of the USD/KES pair.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	101.45	109.70
GBP/KES	144.90	153.20
EUR/KES	122.95	131.60
JPY/KES	94.40	101.65

Forward Rate(USD)(1 month)	
BUY	101.75
SELL	110.70
3 Months	
Buy	102.35
SELL	112.70

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.10%	4.98%	+12.00
91-Day T-bill	7.000%	6.860%	- 14.00
182-Day T-bill	7.536%	7.317%	- 21.90
364-Day T-bill	8.105%	7.729%	-37.60
Inflation	5.76%	5.87%	+11.00



## INTERNATIONAL NEWS

The U.S. dollar rose to a one-week peak on Tuesday, posting its largest single daily gain in roughly two weeks. As new coronavirus outbreaks threatened to derail a global economic recovery, a decline in risk appetite benefited the safe haven currency leading it to remain better bid through the trading session.

Fears over the spread of the highly infectious Delta variant of the virus are denting sentiment at a time markets are on edge after the Federal Reserve shocked traders with a hawkish tilt earlier this month.

The EUR/USD pair, which had risen recently on the back of Europe's accelerating vaccine drive, fell 0.17% and remained capped by the 10-day moving average. Investors now await German employment and Eurozone Core Inflation data to provide an insightful outlook on the shared currency.

The pound fell to a 1-week low against the dollar, down 0.26% on the day with market participants facing doubts about whether Britain would be able to exit the COVID lockdown in July as the Delta variant spreads.

Earlier in Asia, the USD/JPY pair was up 0.01%, buoyed by attractive US treasury yields and rising corona cases in the Asia-Pacific region.

### 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	1.1105	1.2705
GBP	1.3180	1.4780
JPY	104.05	114.05
CHF	0.8485	0.9785

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