

DOMESTIC NEWS

The home unit remained well supported against the buck on Tuesday.

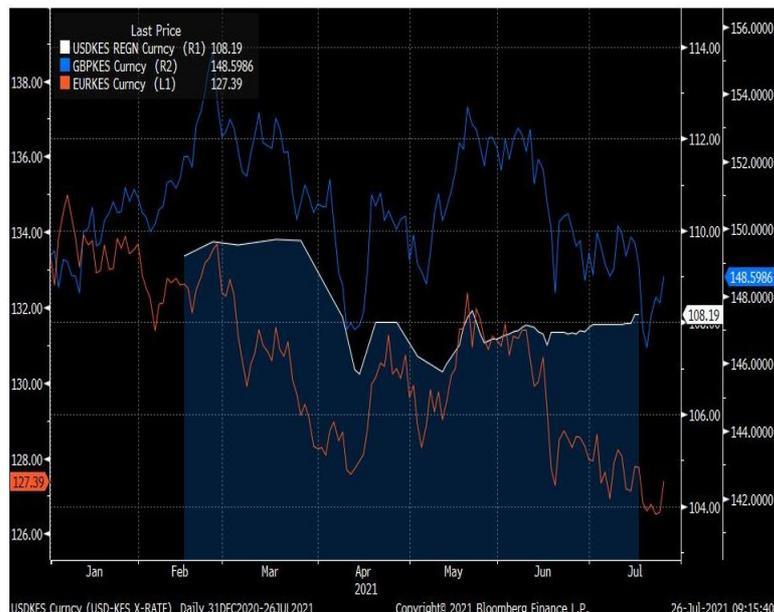
A bland session with balanced flows dominated trading, causing the USDKES pair to close the day unmoved from the previous close.

Activity on the local FX counters is likely to remain subdued and shilling persevere in the current furrow.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	102.55	110.80
GBP/KES	142.95	152.50
EUR/KES	121.10	131.40
JPY/KES	92.70	102.40

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	3.17%	3.16%	-1.00
91-Day T-bill	6.520%	6.477%	- 4.30
182-Day T-bill	6.984%	6.955%	- 2.90
364-Day T-bill	7.506%	7.432%	-7.40
Inflation	5.87%	6.32%	+45.00



Source: Bloomberg

INTERNATIONAL NEWS

The greenback stabilized yesterday, after having lost value against the Japanese yen and Swiss franc, as questions about slowing U.S. economic growth and the COVID-19 Delta variant challenged risk appetite. On the data front, factory orders rose more-than-expected by 1.5% in June against an expected 1% rise. Today, markets await the ADP private employment. The Institute for Supply Management (ISM) reported that manufacturing activity grew at a slower pace in July for the second straight month as raw material shortages persisted. The survey, however, suggested that supply chain bottlenecks were starting to ease.

The EUR/USD pair was a tad lower on Tuesday as the dollar gained momentum and recovered some ground. Meanwhile, the single currency also printed fresh monthly lows versus the Swiss franc and failed to hold to gains versus the pound.

The GBP/USD pair traded higher yesterday, supported by risk sentiment that has improved as positive corporate earnings continue to offset worries over China's pressure on the technology sector.

Earlier today in Tokyo, the Japanese yen continued on its upward trend against the dollar. The USDJPY pair was trading at 109.00 levels, with the yen strengthening as a result of the escalating Delta covid variant woes in the US and Japan, as well as indecision over the U.S Fed's next moves.

Indicative Deposit Rates

	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	EURO
Call	2.75%	0.25%	0.00%	0.00%
1 month	4.70%	0.25%	0.00%	0.00%
3 months	5.00%	0.35%	0.00%	0.00%
6 months	5.25%	0.50%	0.00%	0.00%

Indicative Cross Rates

	Buy	Sell
EUR	1.1060	1.2650
GBP	1.3010	1.4600
JPY	103.00	117.10
CHF	0.8450	0.9990

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