

DOMESTIC NEWS

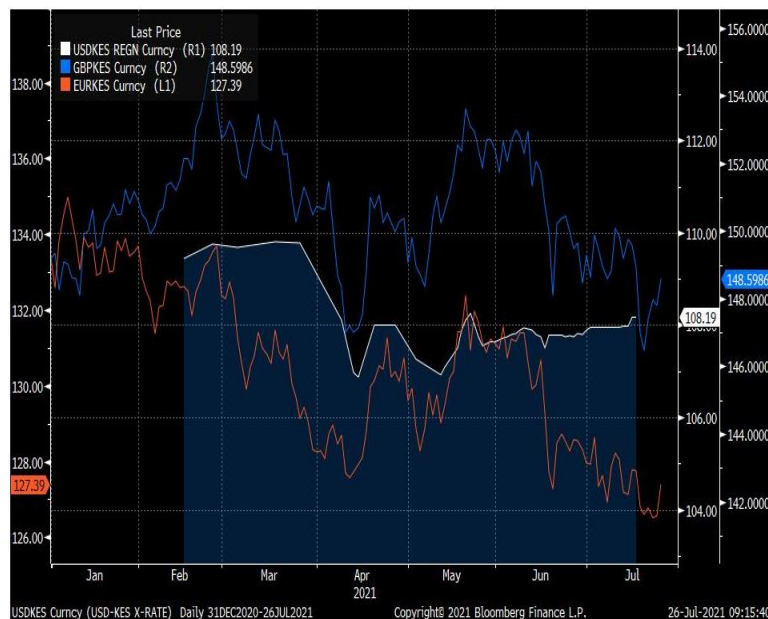
The local unit softened a touch against the greenback on Thursday.

As has been the norm, balanced flows dominated the local FX counters through the trading session, though a slight uptick in dollar demand pushed the USDKES pair's price action marginally upwards.

Ahead of the weekend, it is likely that the shilling will remain range bound, given the dearth of activity in the local FX market.

Amounts "100,000"	Today's Opening		Forward Rate(USD)(1 month)	
	Buy TT	Sell TT	BUY	SELL
USD/KES	102.55	110.80	101.75	110.70
GBP/KES	142.95	152.50		
EUR/KES	121.10	131.40		
JPY/KES	92.70	102.40		

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.36%	3.25%	-11.00
91-Day T-bill	6.486%	6.513%	+2.70
182-Day T-bill	6.966%	7.046%	+8.00
364-Day T-bill	7.426%	7.418%	-0.80
Inflation	5.87%	6.32%	+45.00



Source: Bloomberg

INTERNATIONAL NEWS

The US dollar was steady on Thursday, in the absence of high-tier macroeconomic data releases; the 3% increase witnessed in the 10-year US T-bond yield seems to be helping the greenback stay resilient against its rivals. On the data front, the US Initial Weekly Jobless Claims fell to 385K during the week ended July 30 from 400K previous. This was mostly in line with consensus estimates pointing to a reading of 384K and did little to provide any meaningful impetus.

After moving sideways around in the first half of the day, the EUR/USD pair rose but failed to gather bullish momentum, leaving the pair unchanged on the day.

The GBP/USD pair rose on Thursday after the Bank of England (BoE) decision, but was unable to break the resistance needed for an upside continuation. In its latest monetary policy meeting, BOE kept its interest rates at a historic low of 0.1% and its bond-buying program unchanged despite expectations of a strong economic recovery in 2021. The policymakers raised its inflation forecast as was widely expected by market experts.

Earlier today in Tokyo, the USDJPY pair traded at 109.80 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	1.1060	1.2650
GBP	1.3010	1.4600
JPY	103.00	117.10
CHF	0.8450	0.9990

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