

### DOMESTIC NEWS

The local unit closed the week relinquishing negligible ground to its US counterpart in yet another subdued trading session.

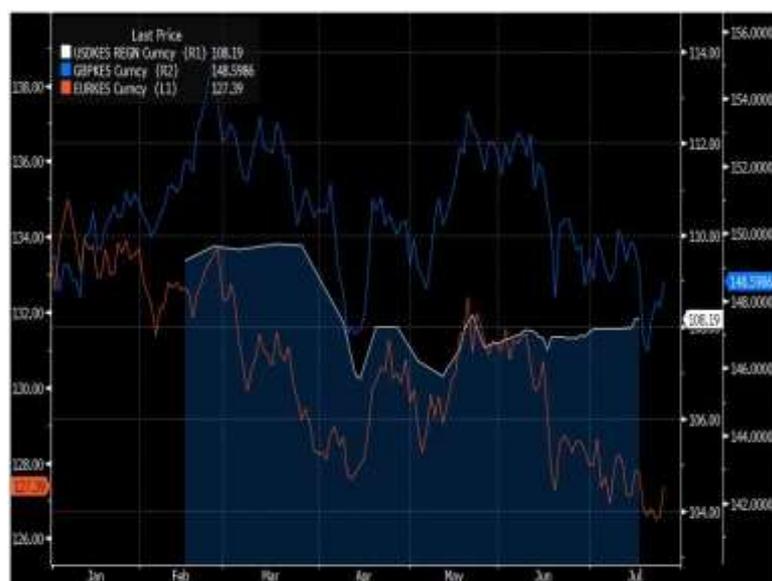
Demand and supply counters were at a slight disequilibrium, as mid-month dollar demand from the energy sector just about shaded foreign currency inflows, with the domestic currency shedding 5 cents on the day.

Ahead of the week, market chatter alludes to range bound trading, with the USDKES currency expected to trade within a tight range, barring any fresh intervening factors.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	103.95	111.90
GBP/KES	144.90	154.10
EUR/KES	121.95	132.10
JPY/KES	94.75	103.70

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	2.67%	2.74%	+7.00
91-Day T-bill	6.513%	6.527%	+1.40
182-Day T-bill	7.046%	7.117%	+7.10
364-Day T-bill	7.418%	7.418%	0.00
Inflation	5.87%	6.32%	+45.00



### INTERNATIONAL NEWS

The U.S. dollar fell to a one-week low against a basket of currencies on Friday, after a survey showed U.S. consumer sentiment dropped sharply in early August, raising worries of a dent in economic activity. The University of Michigan said its preliminary consumer sentiment index fell to 70.2 in the first half of this month from a final reading of 81.2 in July. That was the lowest level since 2011 and one of the six largest drops in the past 50 years of the survey.

The EUR/USD rose further on Friday, printing fresh weekly highs. The pair hovered around lofty highs throughout the session, with a bullish tone in place, as the US dollar remained under pressure across the board.

The pound inched lower against the greenback, as the UK Q2 GDP report from the Office for National Statistics failed to cheer up investors. The reading came higher at 4.8% in line with the market expectations but a tad less than the 5% as expected by the Bank of England.

Earlier in Asia, the yen was down 0.17%, as growing virus woes put a safe-haven bid under the dollar and the Japanese government extended its "state of emergency" soft lockdown in several regions.

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	1.1040	1.2440
GBP	1.3110	1.4510
JPY	103.35	117.35
CHF	0.8530	0.9930

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