

DOMESTIC NEWS

The Kenya shilling inched marginally lower against the dollar on Monday, in another low-key trading session characterized by thin trading volumes.

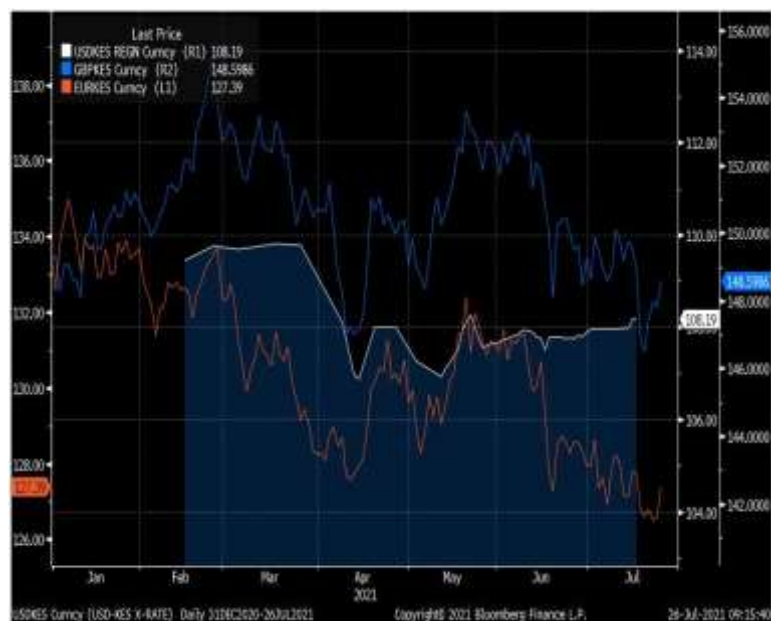
Ample dollar demand from corporates and importers, just about eclipsed activity on the supply counter, with the domestic currency shedding 10 cents by the closing bell.

Going forward, we expect range bound trading to be preserved as market players look for fresh economic rudiments to give price direction.

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 dollar was up 0.1% against a basket of six major currencies on Monday after falling to a one-week low on Friday. The greenbacks gains were most pronounced against commodity currencies and attributed to disappointing economic data from China, geopolitical tension in Afghanistan, and the spreading Delta variant of the coronavirus weighing in on risk appetite.

The EUR/USD pair fell 0.14% as safe-haven flows dominated the market on disappointing Chinese economic data and pandemic anxiety. Focus now shifts to the release of Q2 GDP data later today from the Euro area to provide a fresh impetus. Investors expect the eurozone economy to expand by 13.7% on a yearly basis.

Cable traded on the back-foot as risk-off mood joined Brexit migrant settlement headlines to weigh on the GBP/USD prices. Traders now await monthly employment data from the UK for fresh impulse.

Earlier in Asia, the USD/JPY pair remained under bearish pressure as the Yen gained on a general flight to safety due to geopolitical unrest and coronavirus concerns.

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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