

## DOMESTIC NEWS

A rather dull start of the week saw the home unit unchanged against the greenback.

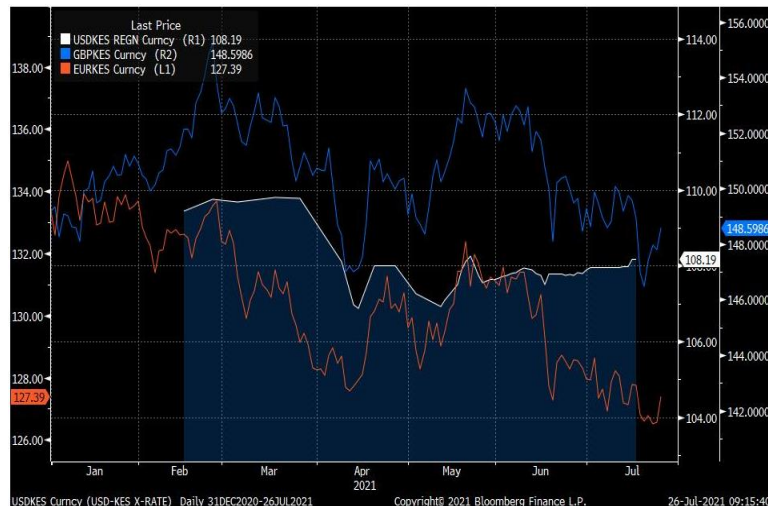
Trifle dollar demand through the trading session was met by ample foreign currency supply, causing the USDKES pair to remain unchanged by closing bell.

In the new day, we expect the shilling to endure within the recent tight but now familiar ranges.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	103.70	112.85
GBP/KES	143.48	154.65
EUR/KES	121.75	132.90
JPY/KES	94.99	104.80

Forward Rate(USD)(1 month)	
BUY	103.85
SELL	113.10
3 Months	
Buy	104.70
SELL	113.75

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.62%	3.56%	-6.00
91-Day T-bill	6.774%	6.781%	+7.00
182-Day T-bill	7.226%	7.253%	+2.70
364-Day T-bill	7.517%	7.777%	+26.00
Inflation	6.55%	6.57%	+2.00



Source: Bloomberg

## INTERNATIONAL NEWS

The US dollar hit a two-week peak against a basket of currencies as measured in the DXY index on Monday, buoyed by expectations that the US Federal Reserve will reduce its asset purchases before long, despite a surge in COVID-19 cases. Meanwhile, the US 10-year Treasury yield trended lower, capping the US dollar index uptrend. On the data front, the August NY Fed's measure of inflation expectations rose to a record high.

The EURUSD pair dipped to its lowest in a little over two weeks yesterday, but recovered some of the losses by the close. Markets shrugged off the European Central Bank saying last week that it would start to trim its own emergency bond purchases.

Cable was range bound during the New York session, directionless as it awaited for a catalyst. Today, in the UK economic docket, the Claimant Count Change is expected to come at -71K, while the ILO Unemployment Rate is forecasted at 4.6%. If the reading is strong, it could give a push to the British pound.

The USD/JPY edged higher earlier today in the initial part of the Asian session. The Japanese Yen manages to gain on its safe-haven appeal.

### 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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