

DOMESTIC NEWS

The Shilling started the week on the back foot in what was a lackluster trading session as both supply and demand counters recorded reduced activity.

The quiet session saw the major players remain on the sidelines, with a slight uptick in foreign currency demand edging out supply to push the home unit 10 cents lower from its previous close.

Given the current trading levels for the USDKES pair, we still see a range-bound theme dominating trading as pundits look out for factors that may cause a shift in market dynamics.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	104.65	115.20
EUR/KES	121.15	134.25
GBP/KES	143.25	156.36
JPY/KES	93.15	104.35

Forward Rate(USD)(1 month)	
BUY	104.25
SELL	114.25
3 Months	
Buy	105.15
SELL	115.55

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.4814%	4.4388%	-4.26
91-Day T-bill	7.040%	7.097%	+5.70
182-Day T-bill	7.486%	7.554%	+6.80
364-Day T-bill	8.489%	8.624%	+1.35
Inflation	6.90%	6.50%	-40.00



Source: Bloomberg5

INTERNATIONAL NEWS

The greenback slipped further from its post-payroll peak on Monday, as the market continued to digest the report. Investors continued to monitor commentary from Federal Reserve officials for rate clues, with the Fed vice chair Richard Clarida, reaffirming policymakers' inflation patience and that the central bank's benchmarks for raising rates could be met by the end of 2022.

Euro extended its rebound, beginning the week on the right foot, amid overall weakness from its American counterpart.

The pound rose on Monday recouping back some of the hefty losses fuelled by the ebbing of interest rate bets. While the broad dollar weakness allowed the cable to recover, the Brexit chatter continued to be a key concern among the traders.

The yen seesawed between gains and losses in a sluggish Tuesday morning, portraying an imminent cautious temperament in the market.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	2.75%	0.25%	0.00%
1 month	5.25%	0.25%	0.00%
3 months	5.75%	0.35%	0.00%
6 months	6.50%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.0890	1.2290
GBP	1.2750	1.4150
JPY	104.00	118.00
CHF	0.8600	0.9900

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