

DOMESTIC NEWS

The Kenya shilling movement against the U.S. dollar was constrained within a narrow furrow on Thursday.

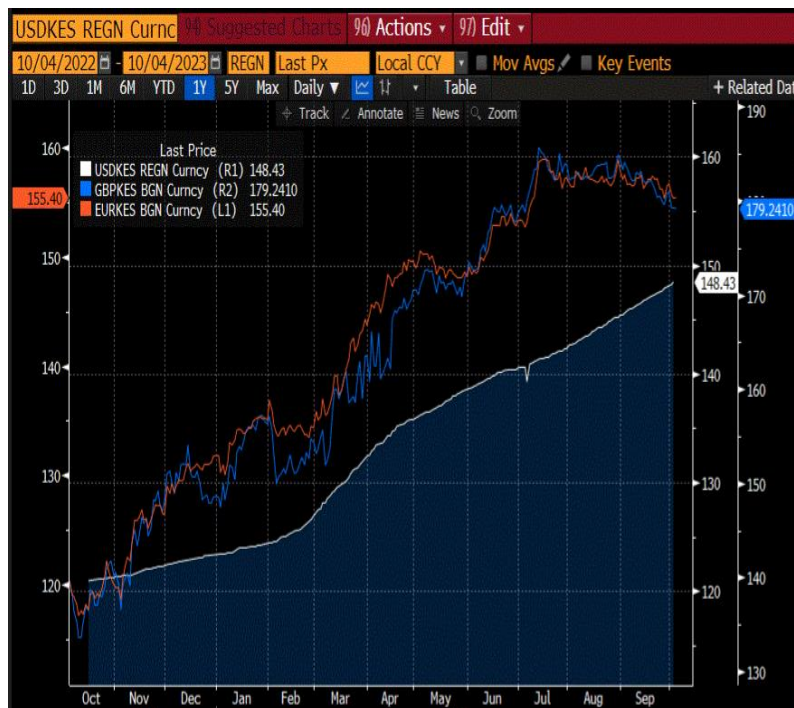
Market activity remained subdued through the day but with corporate demand outweighing inflows, the local unit was slightly weaker by the end of the day.

Looking ahead, we expect the USDKES pair to remain within the current range guided by demand and supply flows.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	143.30	155.10
EUR/KES	149.51	168.43
GBP/KES	172.71	192.28
JPY/KES	96.76	111.54

Forward Rate (USD) (1 month)	
BUY	144.50
SELL	157.00
3 Months	
Buy	148.35
SELL	159.30

Money Market Rates	Previous	Current	Change bps
Interbank Rate	12.05%	11.93%	-12.00
91-Day T-bill	14.7866%	14.8206%	+3.40
182-Day T-bill	14.9399%	14.9499%	+10.00
364-Day T-bill	15.2114%	15.0544%	-16.70
Inflation	6.7%	6.8%	+10.00



Source: Bloomberg

INTERNATIONAL NEWS

The US dollar was slightly weaker on Thursday but remained solid for the 12th consecutive week as market awaited the crucial U.S. nonfarm payrolls data. Investors are keenly observing this data to gauge whether the Federal Reserve might adjust its hawkish stance on interest rates. The highly anticipated U.S. jobs report follows a series of robust economic indicators, solidifying the Fed's commitment to prolonged higher rates and propelling both the greenback and U.S. Treasury yields upward.

The EUR currency held ground during the early session on Friday amid a slightly weaker USD. However, the upside seems to be limited ahead of the release of German Factory Orders and US employment data on later on Friday.

The British Pound (GBP) continued trading higher after surprise UK data on Wednesday. September's final UK services PMI was upwardly revised to 49.30 from 47.20. The Pound was also supported by uptake in risk appetite but faces limited upside potential due to the UK's impending economic slowdown driven by fragile economic activities, potential inflation shocks, and weakening demand.

Japan's recent reevaluation of "excessive" yen volatility is designed to heighten investor vigilance rather than lower the intervention threshold. Although speculation about possible interventions by financial authorities is circulating, as of Friday, neither Japan's Ministry of Finance nor the New York Fed has issued any official statements on the matter.

Indicative Deposit Rates

	Amounts > KES 20 million		Amounts > 100,000	
	KES	USD	USD	EURO
Call	4.25%	1.00%	0.00%	0.00%
1 month	6.25%	2.00%	0.00%	0.00%
3 months	7.00%	2.25%	0.00%	0.00%
6 months	8.00%	2.35%	0.00%	0.00%

Indicative Cross Rates

	Buy	Sell
EUR	1.0400	1.1550
GBP	1.2000	1.3700
JPY	140.50	150.50
CHF	0.8120	0.9950

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