

## DOMESTIC NEWS

The Kenya Shilling ceded marginal ground to the US dollar on Thursday's trading session.

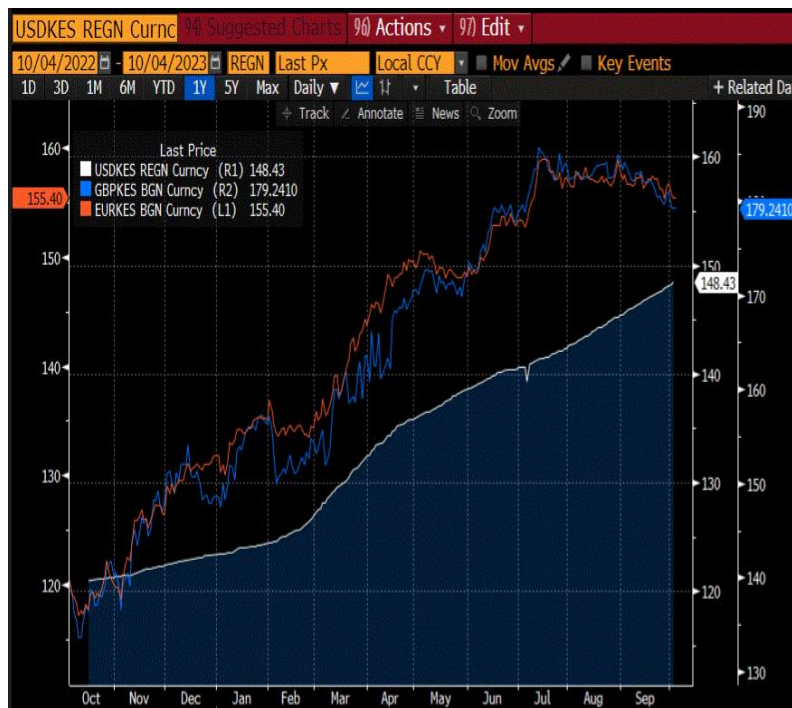
Foreign currency flows on both the demand and supply counters balanced out for much of the day, although a slight uptick in dollar demand saw the USDKES currency pair advance a further 20cents by session's close.

Market chatter points to range bound trading as calm continues to engulf the local FX market with demand and supply guiding the direction of the USDKES pair.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	144.55	156.55
EUR/KES	151.35	167.12
GBP/KES	173.90	191.97
JPY/KES	96.88	106.72

Forward Rate (USD) (1 month)	
BUY	145.40
SELL	157.50
3 Months	
Buy	148.95
SELL	159.95

Money Market Rates	Previous	Current	Change bps
Interbank Rate	12.58%	12.62%	+4.00
91-Day T-bill	14.8734%	14.9604%	+8.70
182-Day T-bill	14.9778%	15.0231%	+4.53
364-Day T-bill	15.1867%	15.3368%	+15.01
Inflation	6.7%	6.8%	+10.00



Source: Bloomberg

## INTERNATIONAL NEWS

The US dollar was lower on Thursday, following Federal Reserve Chair Powell's indication of maintaining interest rates steady at the forthcoming FOMC meeting and his cautious stance towards additional policy firming. This losses were however capped guided by the 10-year Treasury note yield reaching a 16-year peak and weak stock performance, which spurred demand for dollar liquidity. Mixed U.S. economic news also influenced the currency market. However, weekly unemployment claims decreased, suggesting a strengthening labor market.

The EUR halted a two-day winning streak in early Monday's European session. Market participants await the European Central Bank's (ECB) Interest Rate Decision on Thursday, with no rate change expected. The market foresees the end of the ECB's rate hike cycle, but easing is not likely until at least July 2024 due to the ongoing battle against high inflation.

The GBP faced challenges in sustaining its winning streak due to disappointing UK Retail Sales data released last week. The post-data recovery was seen as U.S Treasury yields retreated a tad. Traders await UK labor figures and PMI survey results due tomorrow, with hopes for a modest improvement in August's Employment Change

Japan's yen took the spotlight on Monday, weakening briefly to the US dollar as investors betting on a further rise in dollar yields lost out to those expecting Japanese authorities will intervene in markets. While there was some speculation the BOJ might once again tweak its yield-curve policy band at a scheduled policy review next week, the BOJ had also shown it will not let domestic yields rise sharply.

### Indicative Deposit Rates

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