

Daily Market News



20th April 2017

DOMESTIC NEWS

Range bound trading remained the dominant theme in the local currency market in Wednesday's session with the home unit oscillating within the narrow 103.20 – 103.50 band against the greenback.

There was little by way of volume from both interbank and corporate counters during the session and the bits of activity were evenly matched across counters, leaving the pair largely flat on the day.

We see protracted thin trading limiting the movement of the pair within the recent ranges in the coming days.

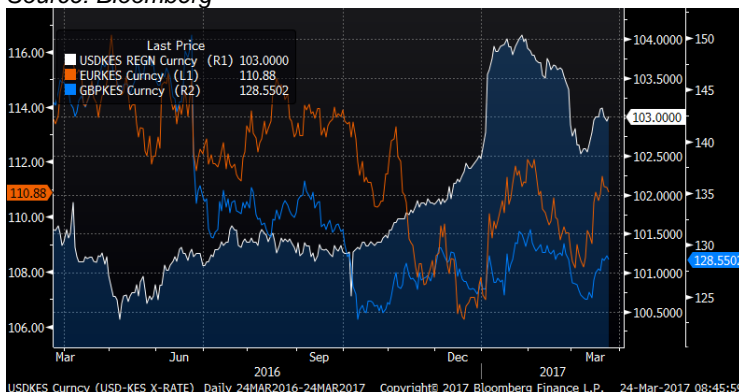
Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	99.50	104.6
GBP/KES	127.40	133.40
EUR/KES	106.00	11.90
JPY/KES	89.80	96.80

Forward Rate (USD)	
1 month	
BUY	100.00
SELL	105.50
3 Months	
Buy	101.00
SELL	107.75

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.7693%	4.4595%	+69.02
91-Day T-bill	8.769%	8.773%	+0.40
182-Day T-bill	10.529%	10.525%	-0.40
364-Day T-bill	10.925%	10.925%	0.00
Inflation	9.04%	10.28%	+124.00

Source: CBK

Source: Bloomberg



INTERNATIONAL NEWS

The dollar recovered on Wednesday, a day after hitting a three-week low against major currencies on lowered expectations for U.S. interest rate hikes and concerns about President Donald Trump's ability to deliver a promised fiscal boost.

In Europe, the euro remained perched near-three-week high against the U.S. dollar, but with the first round of France's Presidential election just few days away, were seen to cap further gains in the single currency. Polls show just a few percentage points separating the top four candidates

Sterling pound was a tad softer against the greenback in London trading, hovering below Tuesday's six-and-a-half month highs of 1.2904 against the dollar. Given the pounds recent trajectory, the jury is still out on whether the unit can make more progress on the back of optimism around the shock calling of a June 8 parliamentary election.

The yen weakened versus its U.S. counterpart in today's Asian trading even as markets traded cautiously ahead of French polls this coming weekend and better than expected Japanese trade data.

Indicative Deposit Rates

Amts > KES 20 million	Amounts > 100,000	
	USD	EURO
KES		
Call	7.00%	0.75%
1 month	7.00%	1.00%
3 months	7.10%	1.25%
6 months	7.15%	1.50%

Indicative Cross Rates

	Buy	Sell
EUR	1.0200	1.1200
GBP	1.2050	1.3050
JPY	105.50	115.50
CHF	0.9475	1.0175