

# Daily Market News



21<sup>st</sup> April 2017

## DOMESTIC NEWS

A slightly better mood characterized yesterday's session with the shilling gaining marginally against the greenback as activity slowly gained momentum.

After a subdued morning session, scant foreign inflows from exporters against fickle dollar demand supported the local unit to close the day around 103.25 – 103.45 levels which was 5 cents higher than previous day.

Meanwhile in the weekly Government securities auction, the yields came in mixed across the board with the 364-day and 91-day recording 10.924% and 8.779% from 10.925% and 8.773 respectively.

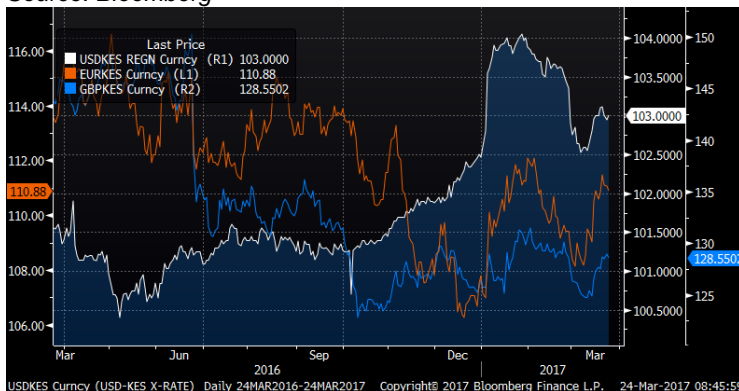
Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	99.50	104.6
GBP/KES	125.40	131.40
EUR/KES	105.80	111.90
JPY/KES	89.80	96.80

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	4.4595%	4.7151%	+25.56
91-Day T-bill	8.773%	8.779%	+0.60
182-Day T-bill	10.529%	10.525%	-0.40
364-Day T-bill	10.925%	10.924%	-0.10
Inflation	9.04%	10.28%	+124.00

Source: CBK

Source: Bloomberg



## INTERNATIONAL NEWS

The Dollar remained broadly lower against other major currencies in subdued trade on Thursday, after the release of downbeat U.S. economic reports and as geopolitical tensions around the world continued to weigh. Initial jobless claims increased by 10,000 in the week ending April 15 to 244,000 from the previous week's total of 234,000.

The Euro held near a three-week high against the U.S. dollar as traders shut down broad bets against the common currency ahead of the first round of the French presidential elections on Sunday. Traders were taking their cues from polls showing French centrist Emmanuel Macron easily beating far-right candidate Marine Le Pen in the second round two weeks later.

Sterling remained supported after the British Parliament on Wednesday approved by an overwhelming 522 votes against 13 May's call for an early election, setting the stage that will define the terms of the U.K.'s withdrawal from the European Union.

The Dollar held steady against the Yen in Asian trading this morning at 109.28 after rising 0.4 percent on Thursday even as latest data on jobless claims failed to change traders' views of modest U.S economic growth and low inflation.

### Indicative Deposit Rates

KES	Amounts > 100,000		
		USD	EURO
Call	7.00%	0.75%	0.00%
1 month	7.00%	1.00%	0.00%
3 months	7.10%	1.25%	0.00%
6 months	7.15%	1.50%	0.00%

### Indicative Cross Rates

	Buy	Sell
EUR	1.0200	1.1200
GBP	1.2250	1.3250
JPY	105.50	115.50
CHF	0.9475	1.0175