

Daily Market News



09th August 2017

DOMESTIC NEWS

Foreign currency demand saw the shilling tumble against the U.S. dollar late on Monday to trade around the 104.00 line.

Jittery players in the Energy and Manufacturing sectors were key drivers as they picked available foreign currency to leave the home currency 10 cents softer on the day.

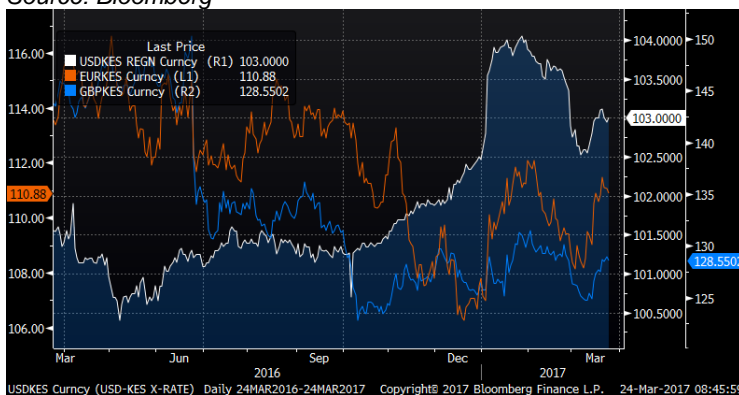
We see cautious trading sessions ahead as elections results steadily stream in and different sections of the political divide react to the poll outcome.

Amounts	Today's		Forward Rate (USD)	
	100,000	Opening	1 month	
	Buy TT	Sell TT	BUY	100.00
			SELL	105.75
USD/KES	99.00	105.00	3 Months	
GBP/KES	131.50	136.50	BUY	101.00
EUR/KES	115.50	124.00	SELL	108.75
JPY/KES	89.80	99.80		

Money Market Rates	Current	Previous	Change bps
Interbank Rate	10.51%	9.219%	+06.60
91-Day T-bill	8.192%	8.202%	-0.60
182-Day T-bill	10.324%	10.321%	-0.30
364-Day T-bill	10.889%	10.894%	-0.50
Inflation	7.47%	9.21%	-174.00

Source: CBK

Source: Bloomberg



INTERNATIONAL NEWS

The dollar shrugged off earlier weakness to trade higher against a basket of global currencies on Tuesday, after data showed U.S. job openings soared to a record high in June. The greenback hit nearly two-week highs, after U.S. job openings, a measure of labor demand, increased 461,000 to a seasonally adjusted 6.2 million, the highest level since the series started in December 2000.

The euro rose against the dollar in a quite European trading as recent indications that the recovery in the euro zone is deepening underpinned demand for the single currency. Data last week showed that the euro zone economy grew by a stronger than forecast 0.6% in the second quarter.

Sterling pound was broadly softer on Tuesday as investors grew more bearish about Britain's economic outlook after consumer spending fell for a third month in a row in July.

The yen hit an eight-week high against the dollar and made broad gains against other peers on Wednesday, reacting to the latest bout of geopolitical tensions stemming from the Korean Peninsula.

Indicative Deposit Rates			
Amts > KES 20 million		Amounts > 100,000	
KES		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	1.0700	1.1700
GBP	1.2550	1.3550
JPY	106.50	113.50
CHF	0.9075	0.9975