

Daily Market News



11th August 2017

DOMESTIC NEWS

The shilling remained shackled within the 103.70 – 104.10 band on Thursday as a dearth in market activity failed to jolt the local currency market.

The relatively dour session was typified by a meagre foreign currency demand by the energy sector which was matched by interbank inflows, leaving the currency pair unchanged on the day.

Ahead of the weekend we see of the recent trading band holding out as activity on both the demand and supply counters continue to even out.

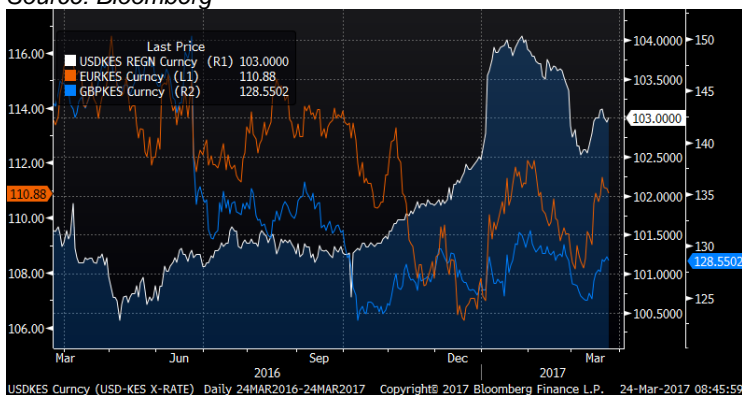
Amounts	Today's	
	Opening	
	Buy TT	Sell TT
USD/KES	99.00	105.00
GBP/KES	131.50	136.50
EUR/KES	115.50	124.00
JPY/KES	89.80	99.80

Forward Rate (USD)	
1 month	
BUY	100.00
SELL	105.75
3 Months	
BUY	101.00
SELL	108.75

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 held steady against other major currencies on Thursday despite a release of disappointing U.S. Producer Price Inflation and jobless claims reports. The U.S. Commerce Department said producer price inflation and its core reading both unexpectedly declined last month while a statement from the U.S. Department of Labor pointed to an increase in the number of Americans filing for jobless claims.

The euro continued to struggle versus the dollar in European trading as traders sought to unwind some of their positions following the strong rally seen over the past month. The single currency traded just above the \$1.1700 line, close to more than one-week low of \$1.1687 touched in the previous session.

Sterling pound hit a 3-week low against a recovering U.S. dollar on Thursday, falling a third of a percent as market stakeholders continued to assess the economic impact of the Brexit process.

The yen edged higher versus the greenback in Asia on Friday as rhetoric between Pyongyang and Washington continues to escalate over calls for North Korea to abandon its nuclear and missile programs.

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