

Daily Market News



7th November 2017

DOMESTIC NEWS

Consolidation of market activity across the foreign currency supply counter saw the local currency gain further ground against the U.S. unit.

The home unit was up by 10cents verses the dollar at the closing bell, in a session that was characterized by a decline in importer's demand for the greenback.

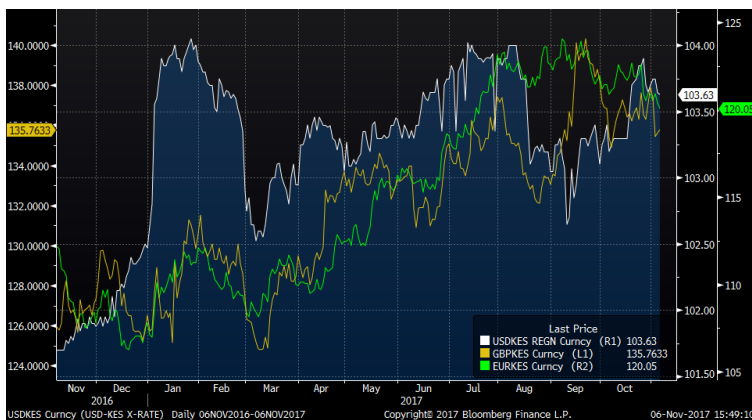
Expectations remain largely for the USDKES currency pair to trade within the 103.00 - 104.00 ranges. That said the Central Bank of Kenya continues to keep a keen eye on market developments..

Amounts	Today's	
	Opening	
	Buy TT	Sell TT
USD/KES	99.00	104.50
GBP/KES	131.50	137.50
EUR/KES	114.50	121.50
JPY/KES	86.50	96.00

Forward Rate (USD)	
1 month	
BUY	100.00
SELL	105.65
3 Months	
Buy	101.00
SELL	108.65

Money Market Rates	Previous	Current	Change bps
Interbank Rate	8.51%	8.40%	-11.00
91-Day T-bill	8.011%	8.015%	+0.40
182-Day T-bill	10.389%	10.433%	+4.40
364-Day T-bill	10.989%	10.995%	+0.60
Inflation	7.06%	5.72%	-134.00

Source: CBK



Source: Bloomberg

INTERNATIONAL NEWS

The U.S. dollar was steady against other major currencies in Monday's session, as markets continued to digest earlier released U.S. economic reports.

News that the U.S. economy added 261,000 jobs in October, falling short of forecasts for 315,000 new jobs, while unemployment rate reduced to 4.1%, its lowest level since December 2000, elicited mixed reactions from investors.

The euro was down against a globally strong dollar after Eurozone's Purchasing Manager's Index (PMI) declined to 56.0 in the month of October from the previous reading of 56.7.

The pound gained against the dollar as investors stood optimistic about Brexit developments. British Prime Minister Theresa May intimated that she backed a deal on a transitional period, that is crucial for businesses, so as not to face a cliff-edge after the country leaves the EU.

Earlier today, the Yen was lower against the dollar, with U.S. President Trump in the region for meetings with Asian leaders.

Indicative Deposit Rates

Amts > KES 20 million	Amounts > 100,000	
	USD	EURO
KES		
Call	7.00%	0.00%
1 month	7.25%	0.00%
3 months	7.50%	0.00%
6 months	7.55%	0.00%

Indicative Cross Rates

	Buy	Sell
EUR/USD	1.1100	1.2100
GBP/USD	1.2500	1.3500
USD/JPY	109.00	117.00
USD/CHF	0.9155	0.9995