

# Daily Market News



30<sup>th</sup> November 2017

## DOMESTIC NEWS

The Kenya Shilling edged higher against the U.S dollar in Wednesday's session backed by foreign currency inflows from interbank players.

Subdued market activity continued to characterize the session for the better part of the day. A late afternoon sell-off of the greenback by interbank players saw the USD/KES currency pair close at the lower bounds of 102.60-103.80 range.

We see the local unit trade within the current range in the interim as muted market activity continues to depict the local currency scene.

Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	98.50	104.00
GBP/KES	134.00	140.00
EUR/KES	116.00	123.50
JPY/KES	86.50	97.50

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	8.82%	8.22%	-60.00
91-Day T-bill	8.008%	8.011%	+0.30
182-Day T-bill	10.483%	10.481%	-0.20
364-Day T-bill	11.004%	11.019%	+0.15
Inflation	7.06%	5.72%	-134.00

Source: CBK



Source: Bloomberg

## INTERNATIONAL NEWS

The U.S. dollar recovered some ground against other major currencies on Wednesday, buoyed by strong U.S. third-quarter economic growth data.

Official data after a second estimate indicated that U.S. Gross Domestic Product (GDP) expanded by 3.3% in the third quarter, compared to an initial reading of 3.0%, beating expectations of 3.2%.

The euro continued to be on the defensive against the dollar despite the European Commission's Economic Sentiment Index rising to a 17-year high of 114.6 in November.

The pound hit a two-month high against the dollar, the pair touching the 1.3430 mark, after the UK and the EU agreed a deal on the Brexit divorce bill with the UK offering around €50 billion.

The Yen opened lower this morning against the dollar after lower-than-expected industrial production data showed a provisional increase of 0.5% in October compared to an estimated gain of 1.9%.

Indicative Deposit Rates			
Amts > KES 20 million		Amounts > 100,000	
KES		USD	EURO
Call	7.00%	0.50%	0.00%
1 month	7.50%	1.00%	0.00%
3 months	8.00%	1.25%	0.00%
6 months	8.50%	1.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR/USD	1.1300	1.2300
GBP/USD	1.2800	1.3800
USD/JPY	107.00	115.00
USD/CHF	0.9085	0.9985