

Daily Market News



13th February 2018

DOMESTIC NEWS

The shilling was marginally weaker versus the greenback on resurgence of activity on the foreign currency demand counter.

Foreign currency demand from importers outweighed dollar inflows from a couple of interbank players to leave to the home unit 15 cents softer versus the U.S. unit.

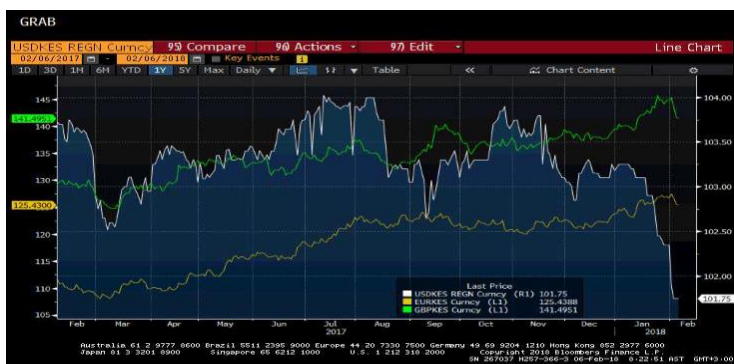
The local currency will likely hold within the 100.50 – 101.50 band in today's trading as competing players take centre stage in the local currency market.

Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	96.00	102.40
GBP/KES	136.00	141.70
EUR/KES	118.30	125.00
JPY/KES	88.00	96.00

Forward Rate (USD)	
1 month	
BUY	100.10
SELL	105.60
3 Months	
BUY	101.00
SELL	108.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.496%	5.546%	+5.00
91-Day T-bill	8.004%	8.005%	+0.01
182-Day T-bill	10.564%	10.438%	-12.60
364-Day T-bill	11.159%	11.156%	-0.03
Inflation	4.50%	4.83%	+33.00

Source: CBK



Source: Bloomberg

INTERNATIONAL NEWS

The dollar retreated late on Monday as global equity markets showed some signs of stability after their recent rout, reviving risk appetite that fuelled bets against the U.S. currency on prospects of its narrowing interest rate advantage.

The euro traded around 1.2276 late in Frankfurt Session, up marginally on upbeat European Central Bank talks and prospect of German political stability.

ECB's Nowotny said that the central bank is cautious even as Euro-area inflation seems to have has room to move higher. Nowotny also emphasized that US is exerting political influence on the exchange rate.

Sterling pound slipped back towards a three-week low against the dollar on Monday, weighed down by uncertainty among investors over whether Britain would succeed in securing a post-Brexit transition period.

The yen was weaker against the dollar on Tuesday even after Producer Prices rose in Japan with markets in the region slacking off ahead of a major Chinese New Year holidays start at the end of the week.

Indicative Deposit Rates			
Amts > KES 20 million		Amounts > 100,000	
KES		USD	EURO
Call	7.00%	0.50%	0.00%
1 month	7.25%	1.00%	0.00%
3 months	7.50%	1.25%	0.00%
6 months	8.00%	1.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.1900	1.2900
GBP	1.3350	1.4350
JPY	104.50	114.50
CHF	0.8750	0.9750