

# Daily Market News



16<sup>th</sup> April 2018

## DOMESTIC NEWS

The tide continued to turn in favour of the Kenya Shilling during Friday's trading session as a result of increased foreign currency supply.

An uptick in corporate activity on the supply counter outweighed dollar buyers and exerted downward pressure on the USDKES currency pair throughout the session to close the week 15 cents lower.

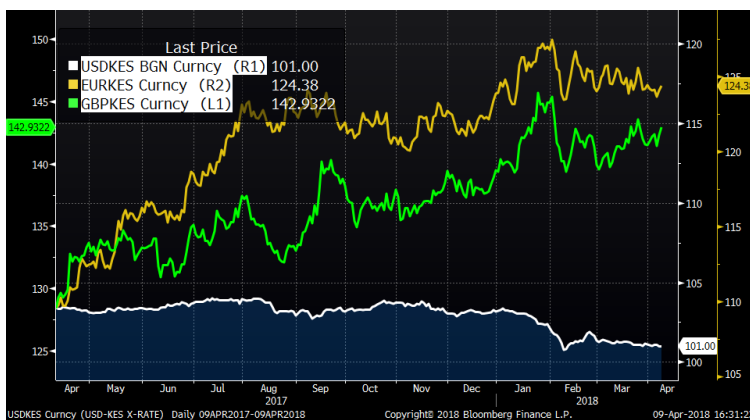
Further appreciation of the local unit is in the offing, atleast in the short term, if the recent increased activity on the supply counters persists.

Amounts	Today's	
100,000	Opening	
	Buy TT	Sell TT
USD/KES	96.00	102.00
GBP/KES	140.00	145.50
EUR/KES	119.30	127.00
JPY/KES	90.00	98.00

Forward Rate (USD)	
1 month	
BUY	99.75
SELL	104.25
3 Months	
Buy	101.00
SELL	105.65

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.05%	4.37%	-68.00
91-Day T-bill	8.006%	8.000%	-0.60
182-Day T-bill	10.318%	10.268%	-5.00
364-Day T-bill	11.120%	11.135%	+1.50
Inflation	4.46%	4.18%	-28.00

Source: CBK



Source: Bloomberg

## INTERNATIONAL NEWS

The U.S. dollar stayed in a holding pattern on Friday, little moved by economic data as geopolitical tensions continued to weigh on sentiment.

February U.S. job openings fell to 6.052 million from 6.228 million in the previous month, while ongoing trade concerns saw U.S. consumer sentiment plunge to 97.8 from a previous reading of 101.4, missing forecasts of 100.6.

Also struggling for direction was the euro. The EURUSD endured a choppy end to the week, trading range bound between 1.2300 and 1.2350 levels.

The pound increased against the dollar, as the cable peaked at just above the 1.4250 handle. In the absence of significant data from the U.K., the pair was mainly driven by general market sentiment and a broadly weaker dollar.

The Yen opened the week higher against the dollar as markets reacted to escalating geopolitical tensions. On Saturday, the U.S., France and Britain launched missiles targeted at chemical weapons facilities in Syria in response to a poison gas attack by Assad's regime. A dollar sell-off ensued as investors turned to the safe-haven Yen.

Indicative Deposit Rates			
Amts > KES 20 million		Amounts > 100,000	
KES		USD	EURO
Call	7.00%	0.75%	0.00%
1 month	7.25%	1.00%	0.00%
3 months	7.50%	1.25%	0.00%
6 months	7.55%	1.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR/USD	1.1800	1.2800
GBP/USD	1.3700	1.4700
USD/JPY	100.00	110.00
USD/CHF	0.9155	0.9995