

Daily Market News



14th May 2018

DOMESTIC NEWS

Torrents of foreign currency from foreign investors elevated the shilling close to a week high versus the greenback late on Friday.

The local currency closed the week quoted within in the 99.85 – 100.65 band, consolidating its recent gains against the greenback by garnering 10 cents versus the U.S. unit on the day.

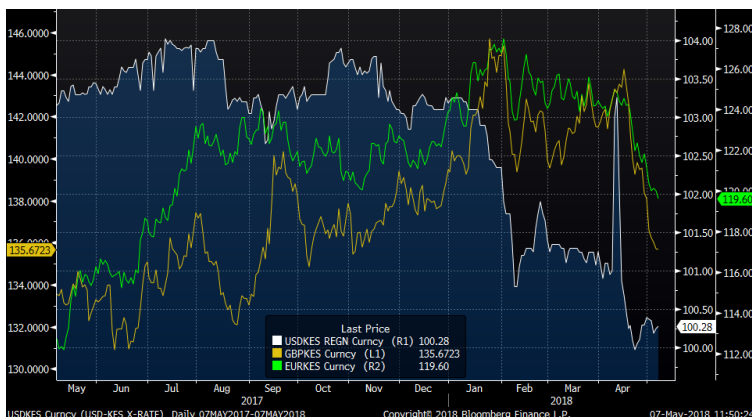
Recent shilling rally against the dollar is likely to take a breather in the coming days as we enter dividend payment period, a season usually typified by foreign currency outflow.

Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	95.70	101.70
GBP/KES	131.50	138.00
EUR/KES	114.00	121.00
JPY/KES	89.50	96.50

Forward Rate (USD)	
1 month	
BUY	99.25
SELL	103.75
3 Months	
Buy	100.60
SELL	105.25

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.9032%	4.6791%	-22.41
91-Day T-bill	8.000%	7.974%	-2.60
182-Day T-bill	10.268%	10.269%	+0.10
364-Day T-bill	11.143%	11.145%	+0.20
Inflation	4.18%	3.73%	-45.00

Source: CBK



INTERNATIONAL NEWS

The dollar fell for a third day on Friday against a basket of currencies as traders booked gains on its recent run-up spurred by the widening interest rate gaps in favor of the United States and signs of cooling growth in the rest of the world.

Regarding data, the US Preliminary Consumer Sentiment Index (University of Michigan) for May came in at 98.8, slightly above the 98.5 expected by market analysts.

The euro peaked on Friday at 1.1969, the highest since Monday last week, consolidating recovery from 4-month low on positions realignment by global investors.

The GBP/USD failed again to break above 1.3600 and retreated back below 1.3550 amid a slight recovery of the US dollar. The UK unit remained undermined by Bank of England's recent decision to keep interest rates on hold and to cut inflation and growth projections for this year and the next.

The yen was little changed versus its U.S. counterpart early today as market opened to uneventful trading in the East.

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	1.1400	1.2400
GBP/USD	1.3000	1.4000
USD/JPY	104.00	114.00
USD/CHF	0.9600	0.9999