

Daily Market News



09 October, 2018

DOMESTIC NEWS

The Kenya Shilling was on a downward path versus the U.S dollar in Monday's trading session to close the day a touch weaker.

Dollar demand from corporate and interbank players overshadowed activity on the supply side throughout the day causing the local unit to lose ten cents as at close of business.

Expectations today are that the home unit will tread waters within the now familiar levels thanks to matching flows across the various counters. Players remain watchful of any unexpected factors that might move the market.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	95.45	102.75
GBP/KES	126.14	134.47
EUR/KES	108.60	118.32
JPY/KES	82.72	95.99

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	3.85%	3.68%	-17.00
91-Day T-bill	7.609%	7.600%	-0.90
182-Day T-bill	8.646%	8.590%	-5.60
364-Day T-bill	9.670%	9.638%	-3.20
Inflation	4.04%	5.70%	166.0



Source: Bloomberg

INTERNATIONAL NEWS

The U.S dollar advanced marginally against its peers on Monday on account of mounting demand for safe haven currencies in the midst of geopolitical disquiets. The jump was however clipped due to anxieties over the U.S-China trade war and the rising bond yields. In addition, the fall in U.S stock prices on Monday also condensed the buck's appeal.

The euro fell below the 1.1500 levels yesterday as a consequence of heightened political tensions between Italy and Europe over Italy's debt. The situation was further exacerbated when Matteo Salvini, Italy's Deputy Prime Minister, lashed out at European Commission President Jean-Claude Juncker and Economics Commissioner Pierre Moscovici terming them as Europe's enemies.

The British pound shed off gains made last week as traders sold off their sterling holdings to book profits brought about by optimism in the ongoing Brexit negotiations.

Earlier today in Tokyo, the safe-haven yen advanced against the greenback to trade at 113.04 levels due to developing anxieties between the Sino-U.S trade war, rising U.S bond yields and Political wrangles in Europe.

Indicative Deposit Rates

Amounts > KES 20 million	Amounts > 100,000	
	USD	EURO
Call	4.00%	0.00%
1 month	6.70%	0.00%
3 months	7.25%	0.00%
6 months	7.50%	0.00%

Indicative Cross Rates

	Buy	Sell
EUR	1.1150	1.2150
GBP	1.2100	1.3100
JPY	106.20	116.20
CHF	0.9750	0.9999