

Daily Market News



9th January 2019

DOMESTIC NEWS

An uptick in foreign currency demand saw the Kenya Shilling end the day marginally weaker against the U.S. dollar yesterday.

The session saw the local unit hold steady versus the greenback on the back of matching flows on both the demand and supply counters for the better part of the session. Corporate sector dollar buyers later took centre stage, pushing the shilling a tad lower by the closing bell.

Market chatter alludes to range bound trading, with the USDKES currency pair holding within the now familiar 100.35 - 102.95 farrow.

Amounts	Today's	
	Opening	
100,000	Buy TT	Sell TT
USD/KES	97.10	105.10
GBP/KES	124.05	132.05
EUR/KES	109.35	119.35
JPY/KES	86.80	98.25

Forward Rate(USD)(1 month)	
BUY	99.90
SELL	106.75
3 Months	
Buy	100.90
SELL	107.75

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.70 %	4.11 %	-59.00
91-Day T-bill	7.342%	7.316%	-2.60
182-Day T-bill	9.002%	8.997%	-0.50
364-Day T-bill	9.952%	10.011%	+5.90
Inflation	5.53%	5.58%	+5.00



Source: Bloomberg

INTERNATIONAL NEWS

The U.S. dollar got a boost against other major currencies in Tuesday's session following extension of trade talks between the U.S. and China to today.

Investors hoped that the two largest economies in the world could resolve their row before a March 1 deadline.

The EURUSD slipped to 1.1455 intraday following disappointing German Industrial output data, that came in at -1.9%, against estimates of +0.3%. This was a fifth decline in the past six months and affirmed that the eurozone economy was slowing.

The pound also lost ground against the dollar despite some bullish housing data, where the U.K. House Price Index (HPI) rebounded with a strong gain of 2.2%, way above forecasts of 0.5%. The cable traded under the 1.2720 handle for the majority of the session.

Earlier this morning, the Yen continued its downward trend against the dollar as continuing trade talks between the U.S and China revived market risk appetite and increased dollar demand, pushing the USDJPY down to 108.80 levels.

Indicative Deposit Rates

Amts > KES 20 million	Amounts > 100,000	
	USD	EURO
KES		
Call	3.75%	0.00%
1 month	6.70%	0.00%
3 months	7.00%	0.00%
6 months	7.50%	0.00%

Indicative Cross Rates

	Buy	Sell
EUR	1.0950	1.1950
GBP	1.2230	1.3230
JPY	103.50	113.50
CHF	0.9575	0.9999