

Daily Market News



11th March 2019

DOMESTIC NEWS

The Kenya Shilling continued to defy odds against it after breaching key psychological levels on Thursday, maintaining similar momentum ahead of the weekend.

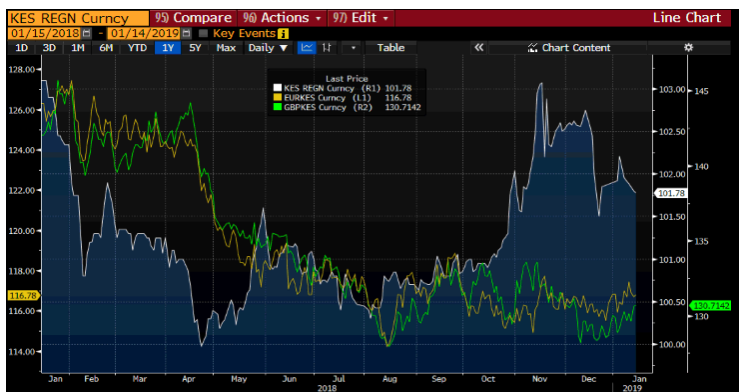
Dollar appetite from corporate and interbank players remained low for most of the session causing the foreign currency inflows to give the local currency a boost to a more solid close.

Flows into the market and benign demand for the greenback may continue to support the shilling in the short term. There is no clear indication whether the supply will continue and leave further scope for gains for the home unit.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	94.50	102.20
GBP/KES	125.00	134.00
EUR/KES	105.00	117.00
JPY/KES	0.83	0.98

Forward Rate(USD)(1 month)	
BUY	98.25
SELL	103.50
3 Months	
Buy	100.15
SELL	105.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	1.83%	3.08%	125.00
91-Day T-bill	6.886%	6.886%	-0.00
182-Day T-bill	8.317%	8.316%	-0.10
364-Day T-bill	9.476%	9.469%	-0.70
Inflation	4.70%	4.14%	-56.00



INTERNATIONAL NEWS

The U.S. dollar fell against its rivals on Friday as investors digested a mixed labor market report showing a surprising slump in job gains for February. Nonfarm payrolls rose by just 20,000 compared to expectations for a 181,000 gain. That was the smallest gain since September 2017. The unemployment rate fell to 3.8%, while average hourly earnings, an important number to gauge inflation, rose 3.4% year over year in February.

The euro rose due to the weaker dollar to 1.1230. The single currency had fallen to its weakest level since late June 2017 on Thursday, hurt by dovish signals from the European Central Bank (ECB).

The pound was lower against the greenback to 1.3058, as Prime Minister Theresa May said in a speech that no one knows what would happen if her Brexit deal is not passed through Parliament. The European Union has shown some flexibility and offered to be open to an extension to the March 29 deadline and the definition of the Irish backstop.

Earlier today in Asia, The USD/JPY pair was little changed at 111.11. The Bank of Japan is set to announce its benchmark interest rate and publish a rate statement on Friday.

Indicative Deposit Rates

Amounts > KES 20 million	Amounts > 100,000	
	USD	EURO
KES		
Call	4.00%	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	1.0850	1.2150
GBP	1.2500	1.3700
JPY	107.20	117.20
CHF	0.9750	1.0100