

Daily Market News



12th March 2019

DOMESTIC NEWS

The shilling fluttered between gains and losses in Monday's session as players on the demand and supply counters battled out.

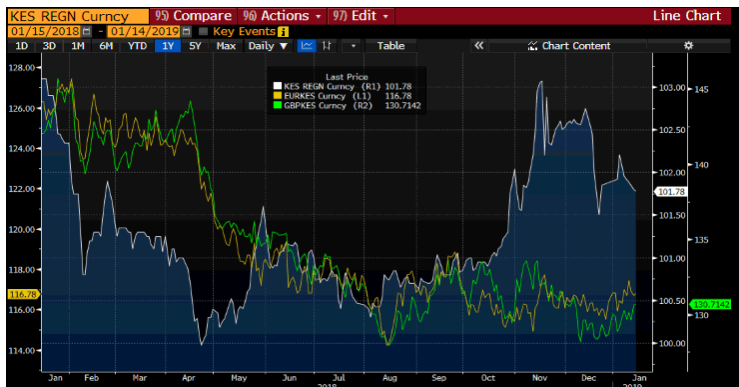
Increased foreign currency inflows gave the local unit some impetus in early trading but diminutive demand for the greenback in late session kept a lid on further shilling gains.

In today's trading, we see range bound trading prevail albeit with a bearish bias as increased dollar demand leaves little room for sustained shilling strength.

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%	3.34%	151.00
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



Source: Bloomberg

INTERNATIONAL NEWS

The dollar was roughly unchanged against its rivals on Monday as investors digested mixed U.S. retail sales data showing an unexpected rise in January, but a downward revision to December's sharp decline, while a sharp rise in the pound also weighed. The Commerce Department said retail sales rose 0.2% in January, compared with a downwardly revised 1.6% in December. That was above expectations for retail sales to remain flat.

The euro found support against the dollar on the Brexit news and the improvement in risk appetite. The single currency was last up about 0.15 percent at \$1.1259.

The pound strengthened against the dollar ahead of crucial Brexit vote. It rallied after German Chancellor Angela Merkel said that European Union President Jean-Claude Juncker had made a "very important" offer to the U.K. on Brexit to break the deadlock in Brexit talks.

Earlier today in Asia, the Japanese Yen, widely considered a safe haven currency, fell against the dollar amid increased risk appetite in the global currency market.

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