

Daily Market News



13th March 2019

DOMESTIC NEWS

Gradual uptick in foreign currency demand left the shilling marginally weaker against its U.S. counterpart on Tuesday trading session.

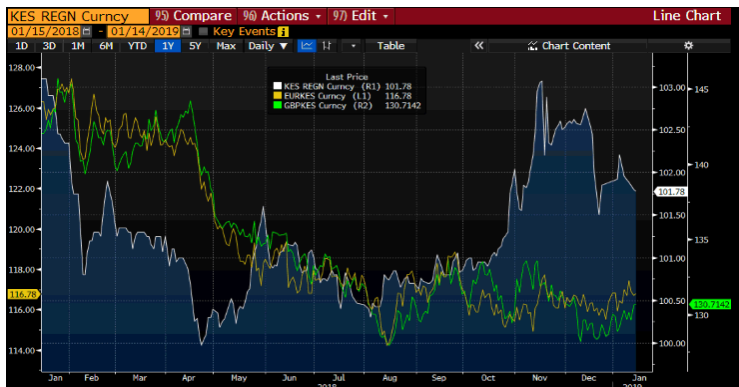
Demand by the energy and manufacturing sector players in the afternoon session saw the home unit surrender to the greenback leaving the currency pair holding above the 100.00 handle at the closing bell.

We see the home unit in a holding pattern in today's trading as market players keenly watch out for possible CBK's action in the wake of shilling fragility.

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%	3.72%	189.00
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 was down on Tuesday as tame U.S. inflation data affirmed expectations the Federal Reserve will continue to hold off raising interest rates. Elsewhere, the Labor Department said its core consumer price index slowed to 0.1% last month after edging up 0.2% in January.

EUR/USD rose to \$1.1292 as the single currency continued to pare losses from last week when the European Central Bank downgraded its outlook on euro-area growth and introduced fresh stimulus to prop up bank lending.

GBP/USD fell to \$1.3087, but had traded as low as \$1.3003 in the aftermath of the Cox's published remarks that last-minute concessions secured from the EU on the Irish backstop arrangement reduced risk, but did not eliminate the U.K. being trapped in a customs union with the bloc indefinitely. UK Lawmakers are set to vote again this week to decide on a "no-deal" exit plan, or whether to extend the March 29 departure date.

Earlier today in Asia, The USD/JPY pair remained unchanged after core machinery orders data decreased to -5.4% versus the previous -0.1%

Indicative Deposit Rates

Amounts > KES 20 million	Amounts > 100,000	
	USD	EURO
KES		
Call	3.00%	0.00%
1 month	4.00%	0.00%
3 months	5.25%	0.00%
6 months	5.50%	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