

Daily Market News



15th March 2019

DOMESTIC NEWS

The home unit traded sideways to the dollar as demand and supply forces collided leaving the USDKES pair unchanged on the Thursday.

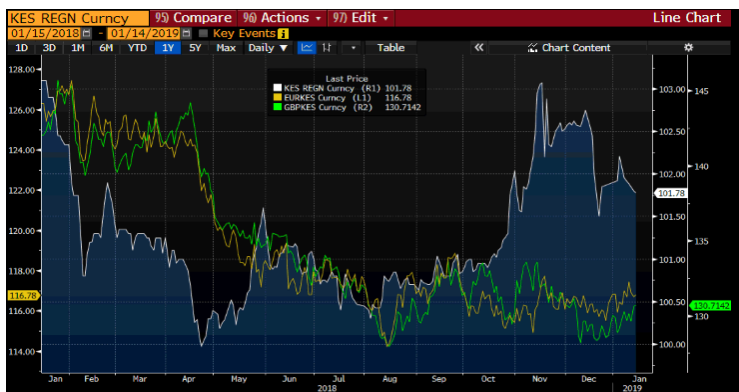
The Kenya Shilling started off the day pressing on the US dollar, following inter-bank and corporate selling. Demand was relatively quiet in the morning but swung in in the afternoon towards close of business. This made the drawback, giving away the gains made earlier to close at its opening levels.

The local currency will likely hold within its recent furrow in today's trading as competing players take center stage in the local currency market.

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%	6.837%	-4.90
182-Day T-bill	8.316%	8.270%	-4.60
364-Day T-bill	9.469%	9.439%	-3.00
Inflation	4.70%	4.14%	-56.00



Source: Bloomberg

INTERNATIONAL NEWS

The U.S. dollar strengthened against a basket of major currencies after U.S. data on producer prices backed the Federal Reserve's wait-and-see approach on interest rates in the face of muted inflation pressures.

In the absence of any major data in the Eurozone, the EUR/USD pair traded sideways around the 1.1300 level ahead of the Brexit vote at the UK parliament.

GBP/USD fell to \$1.3206 as U.K. lawmakers voted in favor of requesting a delay to Brexit beyond March 29 by a vote of 412 to 202. Many are expecting lawmakers in Brussels to grant the U.K. a short delay to Brexit, but remain wary the EU could attach strings to an extension. EU leaders will be meeting on March 21 to discuss whether to grant the U.K. an extension to Brexit.

Earlier today, the USD/JPY currency pair was little changed after The Bank of Japan (BOJ) maintained short-term interest rate target at -0.1 percent and voted 7-2 to keep the 10-year yield target around zero percent, as expected.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	3.00%	0.75%	0.00%
1 month	4.00%	1.00%	0.00%
3 months	5.25%	1.25%	0.00%
6 months	5.50%	1.50%	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