

# Daily Market News



25<sup>th</sup> April, 2019

## DOMESTIC NEWS

The local unit parred some of its losses against the buck on the back of a slight uptick in dollar inflows from various sectors.

The mid-week session was characterized by relatively limited flows that saw the shilling confined to a narrow 20 cents trading range, closing the day trading towards the bottom end of the recent range.

In the new day, we expect market players to trade cautiously as dollar demand continues to grip the market balancing out the home unit's attempt to march north.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	94.50	102.20
GBP/KES	125.00	134.00
EUR/KES	105.50	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	4.75%	5.12%	+37.00
91-Day T-bill	7.397%	7.305%	-9.20
182-Day T-bill	8.090%	8.042%	-4.80
364-Day T-bill	9.371%	9.354%	-1.70
Inflation	4.14%	4.35%	+21.00



Source: Bloomberg

## INTERNATIONAL NEWS

The U.S dollar rallied on Wednesday, largely propelled by the euro's weakness. Recent strength for the American currency has been supported by upbeat data and U.S markets attractiveness to investors in relative terms. Focus shifts to nondefense capital goods orders data that is due out today.

The EUR/USD pair took a beating yesterday, courtesy of a growing US-Eurozone economic divergence. A surprise drop in a leading indicator for economic activity in Germany, amplified worries of a growth slowdown in Europe's largest economy. German business morale deteriorated in April, bucking expectations for a small improvement. Meanwhile, the German 10-year bond yield has again dropped below zero.

The GBP/USD pair traded at 1.2945 levels on Wednesday as uncertainty surrounding Brexit and the UK PM May's future leadership dragged the British Pound down, while broad dollar strength also played its part in flashing a nine-week low.

The USD/JPY pair traded at 111.95 levels earlier today in Tokyo. The Japanese currency lost marginally against the dollar after the BOJ committed to very low rates for an extended period.

### 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	1.2100	1.3800
JPY	107.20	117.20
CHF	0.9750	0.9999