

Daily Market News



11th June 2019

DOMESTIC NEWS

The good fortune witnessed by the local unit in recent sessions came to an end as it slipped slightly against the buck, to start the week on the hind foot.

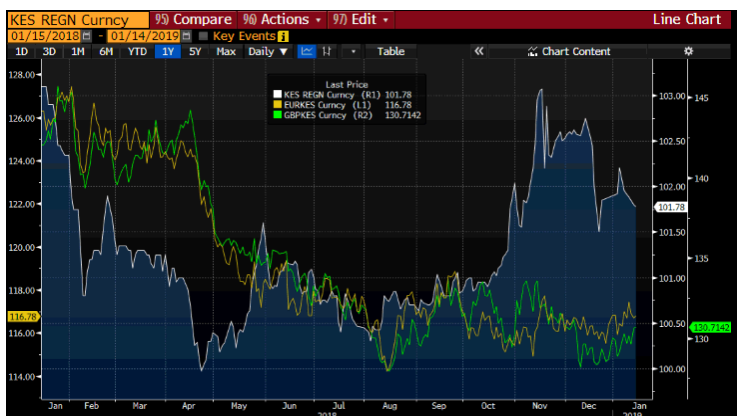
The Kenya shilling was steady against its American counterpart in early trading but acceded to pressure later in the afternoon after greenback buyers flocked the market, instigating a 20 cents bearish-change in the home unit.

Expectations remain for the USDKES currency pair to trade within tight ranges as flows continue to match across the various counters.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	94.50	103.90
GBP/KES	122.00	133.30
EUR/KES	105.00	118.00
JPY/KES	85.00	99.00

Forward Rate(USD)(1 month)	
BUY	98.25
SELL	103.70
3 Months	
Buy	100.15
SELL	105.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	4.16%	4.37%	21.00
91-Day T-bill	6.995%	6.915	-8.00
182-Day T-bill	7.651%	7.606	-4.50
364-Day T-bill	9.311%	9.299	-1.20
Inflation	6.58%	5.49%	-109.00



Source: Bloomberg

INTERNATIONAL NEWS

The greenback rallied upwards after investors began to price in the affirmative news from the U.S-Mexico migration deal signed late Friday. The U.S President had promised to impose a 5% import tariff on all Mexican goods starting Monday if Mexico did not commit to do more to tighten its borders. Further support for the buck came from positive data released by the government which revealed hiring jumped to 5.9 million in April, the highest level since the government began recording the series.

The EUR/USD currency pair took a dip yesterday after sources acquainted with the European Central Bank's policy discussions said that a rate cut was imminent if the Eurozone's economic performance remains unchanged after actualizing a growth of 0.4% in the first quarter.

Cable lost a few units at the start of the week primarily due to political uncertainty and Brexit-related drama. The heated search for an individual to fill the position of Prime Minister officially began this week after Theresa May vacated the office on Friday.

In early Asian trading, the USD/JPY pair scaled upwards to trade at the 108.60 levels after global risk appetite ticked up, owing to the U.S-Mexico deal despite the Sino-U.S trade war persistently tempering overall market sentiment.

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	1.0670	1.1670
GBP	1.2150	1.3150
JPY	104.00	114.00
CHF	0.9700	1.2000