

DOMESTIC NEWS

The Kenyan shilling continued to trade well within its recently set range against the greenback as market activity remained subdued.

Persistent dollar demand as has been noted in previous sessions continued receiving support from inflows from Diaspora remittances and the agriculture sector, keeping the unit's movements within a tight range.

In today's session, we expect the USDKES pair to continue trading within its range bound theme albeit with a slight bullish tinge in favour of the U.S dollar in near term.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	101.80	111.20
GBP/KES	135.50	147.00
EUR/KES	120.50	132.80
JPY/KES	96.00	110.00

Forward Rate(USD)(1 month)	
BUY	102.00
SELL	111.60
3 Months	
Buy	102.50
SELL	112.40

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.01%	2.78%	-24.00
91-Day T-bill	6.309%	6.400%	+5.70
182-Day T-bill	6.773%	6.839%	+3.90
364-Day T-bill	7.69%	7.774%	-0.90
Inflation	4.59%	4.36%	-23.00


INTERNATIONAL NEWS

The dollar traded lower in early European trade Monday, as positive news about U.S. President Donald Trump's health resulted in traders seeking out more risk leading a rally in the equity markets, to the detriment of the safe haven currencies. Market focus continues to remain on the details of the new stimulus package with talks resuming today.

EUR/USD pair remained better bid through the session amid broad based dollar weakness and the single unit was further supported by better than expected Eurozone's PMI Composite report for September. However, gains remained capped as the data failed to improve the outlook for the bloc's economy in the coming months.

The sterling pound moved higher against the dollar on Monday amid rising expectations the EU and UK will agree on a trade deal. The sense of urgency comes just days after Prime Minister Boris Johnson and European Commission president Ursula von der Leyen, agreed to intensify Brexit talks to close "significant gaps" that stalled progress on talks.

The dollar was down on Tuesday morning in Asia over rising hopes that the U.S. Congress will reach an agreement over the latest stimulus measures to ease the economic impact of COVID-19.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	2.75%	0.25%	0.00%
1 month	4.70%	0.25%	0.00%
3 months	5.00%	0.35%	0.00%
6 months	5.25%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.1240	1.2640
GBP	1.2520	1.3950
JPY	99.75	114.50
CHF	0.8320	0.9730

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