

### DOMESTIC NEWS

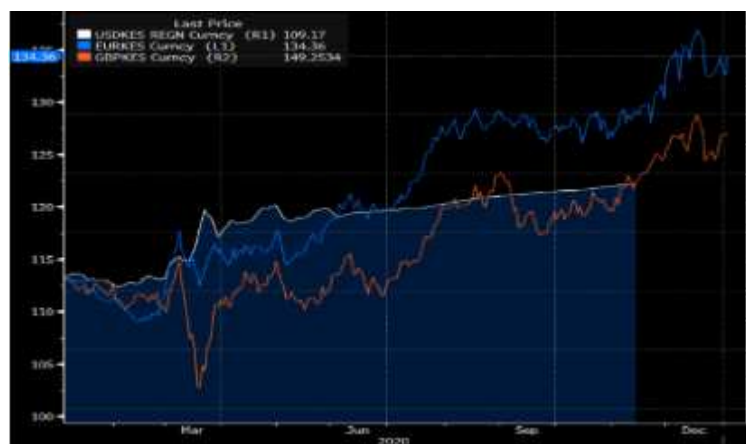
The local unit relinquished further ground to its U.S counterpart in Wednesday's session as foreign currency demand continued to outmuscle supply.

The home unit was put under sustained pressure by a flock of dollar buyers from the manufacturing and energy sector amid a dearth in activity on the foreign currency supply counter. The mismatching flows pushed the USDKES pair 30 cents higher by sessions close.

The shilling may cede more ground against the dollar if resurgent demand for the buck continues to typify the local currency market.

Amounts "100,000"	Today's Opening		Forward Rate(USD)(1 month)	
	Buy TT	Sell TT	BUY	SELL
USD/KES	105.25	112.95	105.65	115.65
GBP/KES	144.71	154.81		
EUR/KES	125.54	137.14		
JPY/KES	101.68	110.98		
			3 Months	
			Buy	106.05
			SELL	117.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.53%	5.30%	-23.00
91-Day T-bill	6.906%	6.895%	-1.10
182-Day T-bill	7.400%	7.479%	+7.90
364-Day T-bill	8.348%	8.363%	+1.50
Inflation	5.30%	5.60%	+0.30



Source: Bloomberg

### INTERNATIONAL NEWS

The U.S. dollar advanced across the board on Wednesday, shaking off the weakness of the previous session, as it continued its recent rebound from last week's near three-year low. A rise in U.S. Treasury yields, driven by expectations of higher government spending under the Joe Biden administration, has helped boost the battered dollar in recent sessions.

EUR/USD fell on Wednesday after a failed attempt to surpass the 21 day moving average, suggesting its recent pullback has not yet run its course, especially with inflation and interest rate risks still playing in the dollar's favor. Investors will focus on today's 30-year auction to see if its results mimic the impact of the 10-year auction, which could drive EUR/USD higher.

Cable trimmed some of Tuesday's gains after being unable to make a sustained run above lofty psychological barriers amid a US dollar recovery. The Sterling may be offered support by news of a 24-hour, 7-day a week COVID-19 vaccination programme being launched as soon as possible, with daily coronavirus deaths at record levels.

In early Asian trading, the USD/ JPY remained locked in a narrow range as BOJ Governor Kuroda stated the economy was in a severe state but picking up.

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

Indicative Cross Rates		
	Buy	Sell
EUR	1.1240	1.2940
GBP	1.2720	1.4350
JPY	99.65	114.50
CHF	0.8320	0.9330

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