

DOMESTIC NEWS

The local FX market recorded another session characterized by diminished activity on Monday, as the Kenya shilling barely changed versus the U.S. dollar.

There was little by way of volume from both the interbank and corporate counters, while the tit bits of activity were evenly matched, which left the home currency unchanged from previous close.

Although an expected improvement in market activity is likely as we approach the end of the month, market might see some movement in the USDKES currency pair within recent levels.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	105.20	112.90
GBP/KES	143.80	153.90
EUR/KES	124.75	136.35
JPY/KES	101.45	110.75

Forward Rate(USD)(1 month)	
BUY	105.65
SELL	115.65
3 Months	
Buy	106.05
SELL	117.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	3.73%	4.22%	+49.00
91-Day T-bill	6.895%	6.884%	-1.10
182-Day T-bill	7.479%	7.522%	+4.30
364-Day T-bill	8.363%	8.445%	+8.20
Inflation	5.30%	5.60%	+0.30



Source: Bloomberg

INTERNATIONAL NEWS

The greenback edged higher in Monday's holiday thin session as traders turned cautious ahead of some risk events including possible violence at President-elect Joe Biden's inauguration on Wednesday, opposition from Republicans to parts of the newly proposed USD1.9 trillion stimulus plan, and the rapid growth of Covid-19 infections globally.

The euro continued to struggle against the dollar amid Italy's ongoing political crisis, where Prime Minister Giuseppe Conte's government is facing votes of confidence. The European Central Bank's decision this coming Thursday also weighed on the single currency.

The GBPUSD ceded further ground on profit taking, ignoring a rapid expansion of Britain's vaccination campaign, which has already neared 6% of its population. Talks between the E.U. and the U.K. on post-Brexit arrangements are now back in focus.

Earlier this morning, the yen consolidated within a narrow range against the dollar ahead of U.S. Treasury Secretary nominee Janet Yellen's testimony later today, where markets expect her to affirm a more traditional commitment to market-set currency rates.

Indicative Deposit Rates

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

Indicative Cross Rates

	Buy	Sell
EUR	1.1235	1.2825
GBP	1.2715	1.4305
JPY	99.65	114.50
CHF	0.8305	0.9305

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