

### DOMESTIC NEWS

The Kenyan shilling continued its weakening trend on Friday morning following persistent dollar demand from importers.

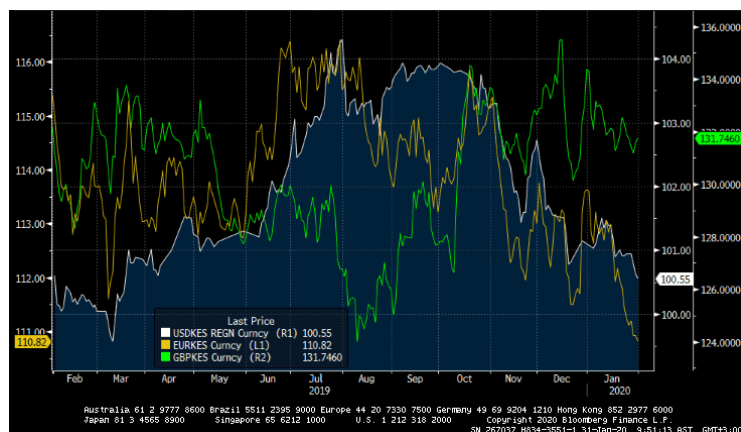
Activity was one sided in early trading, as buyers flooded counters to purchase the greenback. The currency later got some reprieve towards the end of day as foreign currency inflows improved.

The local currency is likely to be hold within the current range in the near term as healthy dollar inflows from floriculture sector are seen in addition to tightening money market conditions due tax payments provide some support.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	99.80	110.05
GBP/KES	126.00	137.90
EUR/KES	112.00	125.50
JPY/KES	91.11	108.05

Forward Rate(USD)(1 month)	
BUY	101.70
SELL	109.85
3 Months	
Buy	102.60
SELL	110.90

Money Market Rates	Previous	Current	Change bps
Interbank Rate	1.67%	1.87%	-2.00
91-Day T-bill	6.546%	6.274%	-27.20
182-Day T-bill	7.048%	6.759%	-28.90
364-Day T-bill	7.769%	7.70%	-6.90
Inflation	5.33%	4.59%	-74.00



Source: Bloomberg

### INTERNATIONAL NEWS

The dollar looked set for a fourth-straight weekly loss on Friday, on weaker economic data and falling demand as rising cases cast doubts on the U.S. economy's ability to bounce back faster than that of its rivals.

The EUR/USD was up 0.7% over the last week. Europe as a whole has been seen as handling the virus pandemic well, a spate of small outbreaks notwithstanding, while European Union leaders meet in Brussels seeking to overcome their differences over a proposed stimulus package.

GBP/USD is attempting recovery. The UK is set to cancel its extradition treaty with Hong Kong, angering Beijing. Brexit talks resume today will take centre stage, though expectations remain low.

Earlier today in Tokyo the Japanese Yen eased to 107.30 levels even as Japan's trade data showed that exports in June had plunged 26% from a year earlier, worse than expected.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	3.00%	0.25%	0.00%
1 month	4.70%	0.25%	0.00%
3 months	5.25%	0.35%	0.00%
6 months	5.50%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.0520	1.1520
GBP	1.1800	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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