

DOMESTIC NEWS

The Kenya Shilling traded marginally lower as dollar demand ticks up, breaking its 2-day winning streak.

The Kenyan shilling edged down as dollar demand from importers invaded the market ahead of end month to meet their obligations. Inflows remained healthy but was outweighed by the demand for the greenback.

In the new week, the home unit may continue its weakening stance, weighed down by burgeoning dollar demand. That said, players continue to keep an eye on any new developments.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	104.90	112.65
GBP/KES	144.55	154.65
EUR/KES	125.25	136.75
JPY/KES	102.45	111.75

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	4.43%	4.97%	+54.00
91-Day T-bill	6.884%	6.983%	+9.90
182-Day T-bill	7.522%	7.508%	-1.40
364-Day T-bill	8.445%	8.508%	+6.30
Inflation	5.30%	5.60%	+0.30



Source: Bloomberg

INTERNATIONAL NEWS

The dollar drifted higher on Friday after three straight days of losses, as bleak non-U.S. economic data gave global equity markets reason to pause after another week of record highs.

U.S. home sales unexpectedly rose 0.7% to a seasonally adjusted annual rate of 6.76 million in December, but surging house prices amid record-low inventory could slow the housing market momentum in the coming months.

The euro was little changed against the dollar after the European Central Bank's policy rate announcement, with the ECB saying it might not need to use its full asset-purchase envelope.

The pound lost momentum, unable to hold above 1.3700 as data from the U.K. showed that retail sales grew 0.3% month-on-month in December. U.K. Prime Minister Boris Johnson also said on Friday that the B117 variant of COVID-19 could be 30% more deadly, adding that stricter travel curbs and continued lockdown measures while the infection rate remains "forbiddingly high" could be possible.

Earlier today in Asia, the dollar inched down against the yen over fresh COVID-19 worries, in turn stretching dollar selling positions as investors turn to safe-haven assets.

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	1.1210	1.2800
GBP	1.2690	1.4480
JPY	99.50	114.35
CHF	0.8350	0.9340

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