

### DOMESTIC NEWS

The home unit oscillated within a narrow band against the buck yesterday, holding on to paltry gains garnered on Wednesday.

A lackluster session with balanced flows dominated early trading, however, as the day progressed markets witnessed a momentary blip that saw the shilling advance slightly. This was quickly reversed as demand picked up, causing the USDKES pair to close the day unchanged from the previous close.

Activity on the local FX counters is likely to remain subdued on the last trading day of the week as traders avoid taking fresh positions.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	103.95	112.35
GBP/KES	143.50	155.50
EUR/KES	119.60	132.50
JPY/KES	96.85	104.75

Forward Rate(USD)(1 month)	
BUY	106.20
SELL	112.95
3 Months	
Buy	106.75
SELL	115.00

Money Market Rates	Previous	Current	Change bps
Interbank Rate	5.62%	5.53%	-9.00
91-Day T-bill	7.071%	7.087%	+1.60
182-Day T-bill	7.884%	7.890%	+0.60
364-Day T-bill	9.213%	9.259%	+4.60
Inflation	5.62%	5.69%	+36.00



Source: Bloomberg

### INTERNATIONAL NEWS

The U.S dollar rallied to four-month highs on signs that the US economy was rebounding from the pandemic faster than anticipated. Unemployment numbers in the United States indicated that US Initial jobless claims fell by nearly 100,000 to 684,000, well below expected numbers. However, they remain high relative to normal. Continuing claims now stand at 3.8 million having fallen quite sharply in the latest weekly data. US GDP figures for Q4 2020 were revised up to 4.3%, from 4.1%.

The EURUSD pair dropped yesterday on broad dollar strength and investors focus on rising coronavirus cases in Europe.

The GBP/USD pair rose even as the US dollar strengthened on the back of risk aversion. The United Kingdom and the European Union appear to have improved their dispute around vaccines. European Union leaders are meeting to discuss the vaccination exports and how to speed up the process.

Earlier today in Tokyo, the dollar rose to its highest since June against the yen to trade at 109.25 levels.

Amounts > KES 20 million	Indicative Deposit Rates		
	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	1.1110	1.2710
GBP	1.3110	1.4510
JPY	100.80	112.80
CHF	0.8465	0.9765

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