

DOMESTIC NEWS

The Kenyan shilling weakened marginally on Tuesday, with augmented dollar demand from energy and manufacturing sectors.

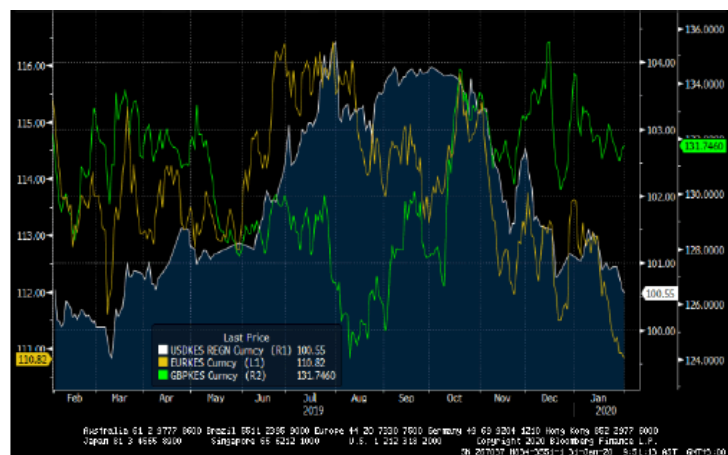
The USD/KES pair remained range bound during the morning session, as activity remained subdued. However, pickup in the dollar demand later in the mid-morning session saw the local unit under slight pressure through remained confined to its recent established range.

We expect flows to remain the main determinant in the direction for the USDKES pair.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	101.80	111.20
GBP/KES	135.50	147.00
EUR/KES	120.50	132.80
JPY/KES	96.00	110.00

Forward Rate(USD)(1 month)	
BUY	102.00
SELL	111.60
3 Months	
Buy	102.50
SELL	112.40

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.58%	3.06%	-24.00
91-Day T-bill	6.200%	6.257%	+5.70
182-Day T-bill	6.561%	6.600%	+3.90
364-Day T-bill	7.517%	7.508%	-0.90
Inflation	4.59%	4.36%	-23.00



INTERNATIONAL NEWS

The dollar eased on Tuesday, as a fall in consumer confidence stoked investor worries about the pace of the recovery and offset data showing a decline in the number of new U.S. infections.

The Euro rose marginally on Tuesday against the dollar. It received a boost from German Final GDP, which was stronger than expected.

GBP/USD rose as the bulls continue to chip away at a downtrodden US dollar. The markets are getting set for the major event this week in the Jackson Hole symposium, which is leaving the US dollar vulnerable and unable to extend its series of higher highs in the DXY index.

USD/JPY traded about 0.20% higher this morning underpinned by broad US dollar rebound, as the risk-sentiment remains tepid.

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	1.1240	1.2640
GBP	1.2520	1.3950
JPY	99.65	114.50
CHF	0.8320	0.9730

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