

DOMESTIC NEWS

The Kenyan shilling was steady on Thursday, but dollar demand from importers kept it on the defensive.

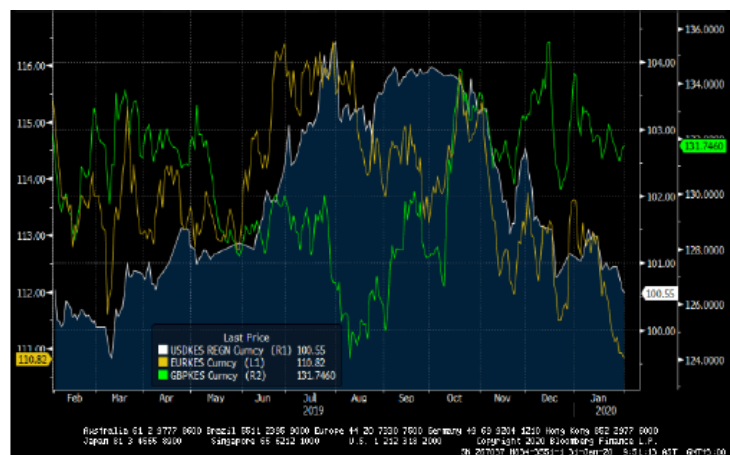
Dollar sellers made forays into the market earlier in the day resulting in the home unit picking some momentum. Late demand by corporates that sought to take advantage of the declining greenback pushed the USDKES currency pair back to previous day's close.

Ahead of the weekend, it remains to be seen whether the home unit will hold on to its recent shine, As flows will guide the direction of the currency.

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	3.02%	3.01%	-24.00
91-Day T-bill	6.257%	6.273%	+5.70
182-Day T-bill	6.600%	6.625%	+3.90
364-Day T-bill	7.508%	7.507%	-0.90
Inflation	4.59%	4.36%	-23.00



INTERNATIONAL NEWS

The dollar was steady during European trade but managed to yo-yo within 100pip range against the Euro and GBP after Federal Reserve Chairman Jerome Powell laid out the central bank's plan to boost inflation and strengthen the recovery.

The EUR/USD pair surged to a fresh weekly high in the early American session but staged a sharp U-turn and dropped into the negative territory down 0.35% on a daily basis after speech from FED chairman.

GBP staged impressive gains after the speech by Fed chairman but closed the day unchanged. GBP/USD is currently trading almost flat on the day following a turbulent morning in the US session. The focus for the pound for the rest of this week will be with the Bank of England's governor, Andrew Bailey, speaking today where negative interest rates could be a theme of discussion.

USD/JPY gained 0.28% today, having carved out a bullish engulfing candle on Thursday.

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

ISSUED BY NCBA, NAIROBI P.O. BOX 30437, TEL 2884000, 2734555, 2734661-5 FAX # 2734616, REUTERS DEALING – CBAF, REUTERS INFORMATION CBAN. This Newsletter is produced as a service to our clients. It is prepared by our dealing professionals & is based on their understanding & interpretation of market events. The bank cannot however be held responsible for any losses of whatever nature sustained as a result of action taken based on comments contained in this publication