

DOMESTIC NEWS

The Kenya shilling closed the day stronger against the U.S. dollar at the end of Thursday's trading owing to improved foreign currency inflows.

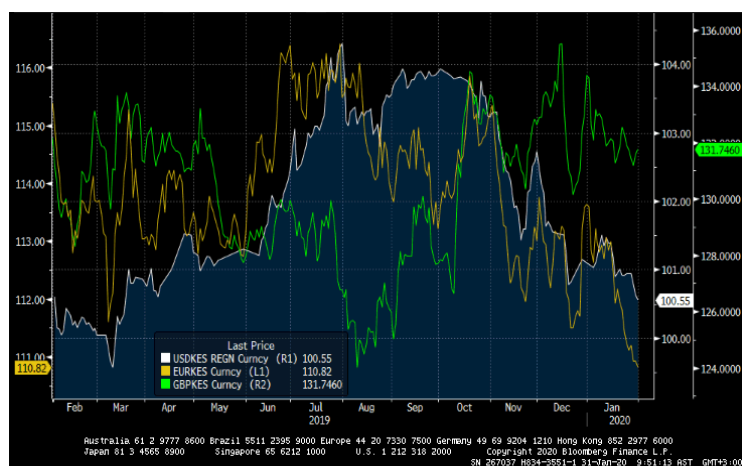
Foreign currency inflows from the agricultural and telecommunications sector came to the aid of the local currency outclassing the bantam appetite from importers.

Ahead of the weekend, it is expected that the USD/KES spot price will remain flow driven as market pundits continue to dissect the budget statement read yesterday.

Amounts "100,000"	Today's Opening	
	Buy TT	Sell TT
USD/KES	100.45	108.50
GBP/KES	125.00	139.18
EUR/KES	109.02	125.21
JPY/KES	0.92	1.07

Forward Rate(USD)(1 month)	
BUY	101.65
SELL	109.85
3 Months	
Buy	102.60
SELL	110.90

Money Market Rates	Previous	Current	Change bps
Interbank Rate	2.70%	2.59 %	-11.00
91-Day T-bill	7.333%	7.259%	-7.40
182-Day T-bill	8.248%	8.060%	-18.80
364-Day T-bill	9.198%	9.030%	-16.80
Inflation	5.62%	5.47%	-15.00



INTERNATIONAL NEWS

The greenback received the much needed impetus after investor's confidence on a quick global economic recovery contracted leading to sharp falls in U.S stock prices. A divergence from risky assets began on Wednesday after the U.S Federal Reserve's gave a bitter outlook of both the global and U.S economy and vowed to offer the necessary stimulus to fashion economic growth.

The rally for safe haven assets triggered the euro to edge lower by 0.5% from its previous three-month high. Additionally reports that European central bank policy makers believe that the no further stimulus would be required to mitigate the effects of the current economic slump pushed for further selling of the single currency.

The pound fell against the dollar on Thursday to end its longest winning streak against the buck in 2-1/2 years, driven by the dollar ascent and Brexit-related concerns. Britain has until the end of the month to request an extension to the transition period, which is likely, more so after the fourth round of Brexit negotiations ended with little headway.

The safe-haven yen bolstered further against the dollar, in early Asian trading, after global stock prices fell over fears that the global economic slump was far from over.

Indicative Deposit Rates			
Amounts > KES 20 million	Amounts > 100,000		
	KES	USD	EURO
Call	3.00%	0.15%	0.00%
1 month	4.25%	0.25%	0.00%
3 months	4.50%	0.35%	0.00%
6 months	5.00%	0.50%	0.00%

Indicative Cross Rates		
	Buy	Sell
EUR	1.0720	1.1820
GBP	1.180	1.3070
JPY	101.65	114.50
CHF	0.9020	1.0650

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