



AFRICAN BANKING CORPORATION LIMITED

Forex and Money Market Update

8th Oct, 2014.

FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES | | | | |
|--------------------------|--------|--------|---------------|---------------|
| Yesterday | | Today | | |
| USD/KES | 89.30 | | 89/89.40 | |
| GBP | 1.6202 | 143.77 | 1.6012/1.6167 | 141.59/144.07 |
| EUR | 1.2542 | 112.76 | 1.2540/1.2692 | 111.62/112.98 |
| JPY | 109.65 | 0.8191 | 107.6/109.06 | 0.8206/0.8371 |
| ZAR | 11.13 | 7.9 | 10.86/11.29 | 7.7/8.41 |
| INR | 61.55 | 1.4462 | 61/61.51 | 1.4437/1.4650 |
| AED | 3.645 | 24.81 | 3.56/3.73 | 23.88/25.14 |
| CHF | 0.969 | 94.44 | 0.9430/0.9630 | 93.05/94.72 |
| UGX | 2,631 | 29.6 | 2,610/2,660 | 29.16/29.85 |
| TZS | 1,655 | 18.52 | 1,630/1,680 | 18.21/18.85 |

MONEY MARKET UPDATE

| | 07.10 | 06.10 | 03.10 | 02.10 | 01.09 | |
|---------------------|---------|----------|------------|--------|-------|-------|
| Interbank Rate | 6.3% | 6.6% | 6.65% | 6.5% | 6.8% | |
| NSE Share index | 5,300 | 5,323 | 5,292 | 5,268 | 5,258 | |
| T-Bond FXD1/2010/30 | 13.5% | 13.5% | 13.5% | 13.5% | 13.5% | |
| T-Bond FXD 2/2013/2 | 10.9% | 10.9% | 10.9% | 10.9% | 10.9% | |
| Treasury Bills | | LIBOR | | 1 Mth | 3Mth | 6 Mth |
| Days | Current | Previous | USD | 0.15% | 0.23% | 0.33% |
| 91 | 8.63% | 8.65% | GBP | 0.49% | 0.52% | 0.69% |
| 182 | 8.74% | 8.6% | EUR | 0.04 % | 0.11% | 0.20% |
| 364 | 10.35% | 10.27% | JPY | 0.08% | 0.12% | 0.17% |

LOCAL MARKET UPDATE.

The **Kenya shilling** strengthened further on waning end month dollar demand from importers.

Equity Market: The NSE-20 share index fell by 23 points to close at 5,300.

Fixed income Market/Money Market: In the debt market, bonds worth Kes 0.666 billion were traded yesterday.

GLOBAL MARKETS UPDATE.

EUR: The Euro rose on speculative trades ahead of US FOMC minutes due tomorrow.

INR: The Indian rupee fell against the dollar on reduced FDI's buying into equities as the US yields rose.

GBP: The sterling rose against the dollar due to release of slightly better than expected Industrial production numbers.

GOLD: Gold fell further ahead of US FOMC minutes due tomorrow.

CRUDE: Crude fell on oversupply outpacing demand.

UGX: The Ugandan shilling gained slightly against the dollar on reduced dollar demand from corporates.

KENYA'S ECONOMIC INDICATORS

| | Mar | Jan | Nov | Sep | Jul |
|------------------------------|-------|-------|-------|-------|-------|
| CBR Rate | 8.50% | 8.50% | 8.50% | 8.50% | 8.50% |
| | Sep | Aug | July | June | May |
| Annual Inflation rate | 6.6% | 8.36% | 7.67% | 7.39% | 7.3% |

WORLD INDICES & COMMODITIES UPDATE

| | 07.10 | 06.10 | 03.10 | 02.10 | 01.09 |
|-----------|---------|---------|---------|---------|---------|
| Gold | \$1,953 | \$1,990 | \$1,224 | \$1,224 | \$1,221 |
| Crude Oil | \$89 | \$88 | \$89 | \$89 | \$94 |
| Dow Jones | 16,875 | 17,081 | 16,801 | 16,805 | 16,958 |
| S&P 500 | 1,953 | 1,976 | 1,946 | 1,946 | 1,966 |
| FTSE 100 | 6,509 | 1,976 | 6,446 | 6,558 | 6,618 |

TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data | Prior | Forecast |
|--------------|--------|----------------------|-------|----------|
| n/a | GB | Halifax house prices | 9.7 | 9.6 |
| 21.00 | US | FOMC minutes | - | - |

For firm prices please call Treasury Team on: Dir. 4263091/2/3/4/5.

Joel Mbuvi (Head of Treasury), Julius Kiriinya (Snr. Corporate Dealer), John Muli (Spot FX Dealer), Muthoni Mwangi (MM Dealer) and Brian Onyino (Corporate Dealer). Email: treasury@abcthebank.com.

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