



# AFRICAN BANKING CORPORATION LIMITED

## Forex and Money Market Update

21<sup>st</sup> January 2019

### FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES |        |           |               |       |                   |
|--------------------------|--------|-----------|---------------|-------|-------------------|
|                          |        | Yesterday |               | Today |                   |
| <b>USD/KES</b>           | 101.7  |           | 101.3/102.1   |       |                   |
| <b>GBP</b>               | 1.298  | 132.0066  | 1.2819/1.2919 |       | 129.8565/131.9030 |
| <b>EUR</b>               | 1.1389 | 115.8261  | 1.1325/1.1425 |       | 114.7223/116.6493 |
| <b>JPY</b>               | 109.36 | 0.9299    | 109.04/110.4  |       | 0.9206/0.9364     |
| <b>CNY</b>               | 6.76   | 15.0443   | 6.60/6.9200   |       | 14.6387/15.4696   |
| <b>ZAR</b>               | 14.00  | 7.2642    | 13.50/14.50   |       | 6.9862/7.5629     |
| <b>INR</b>               | 70.5   | 1.4425    | 69.00/72.00   |       | 1.4069/1.4797     |
| <b>AED</b>               | 3.6722 | 27.6945   | 3.5700/3.7745 |       | 26.83/28.59       |
| <b>CHF</b>               | 0.9860 | 103.1440  | 0.9650/1.0070 |       | 100.59/105.80     |
| <b>UGX</b>               | 3690   | 36.28     | 3640/3740     |       | 35.65/36.92       |
| <b>TZS</b>               | 2275   | 22.36     | 2200/2350     |       | 21.50/23.19       |

### MONEY MARKET UPDATE

|                      | 21.01   | 18.01    | 17.01   | 16.01   | 14.01   |         |
|----------------------|---------|----------|---------|---------|---------|---------|
| Interbank Rate       | 3.35%   | 3.35%    | 3.35%   | 2.09%   | 1.57%   |         |
| NSE Share index      | 2851.77 | 2849.81  | 2844.25 | 2809.16 | 2794.43 |         |
| T-Bond FXD1/2010/15  | 12.67%  | 12.67%   | 12.67%  | 12.67%  | 12.67%  |         |
| T-Bond IFB 1/2018/15 | 12.505% | 12.505%  | 12.505% | 12.505% | 12.505% |         |
| Treasury Bills       |         |          | LIBOR   | 1Mth    | 3Mth    | 6Mth    |
| Days                 | Current | Previous | USD     | 2.5%    | 2.7%    | 2.8%    |
| 91                   | 7.134   | 7.200    | GBP     | 0.73%   | 0.92%   | 1.03%   |
| 182                  | 8.927   | 8.935    | EUR     | -0.41%  | -0.34%  | -0.29%  |
| 364                  | 9.953   | 9.958    | JPY     | -0.10%  | -0.08%  | -0.007% |

#### LOCAL MARKET UPDATE.

The **Kenya shilling** opened today at 101.9 and is currently trading at the 101.650 level .

**Equity Market:** The NSE-20 share index gained 57 points to close at 2851 from last week,

**Fixed income Market:** In the debt market, bonds worth Kes 7.6B were traded last week

#### GLOBAL MARKETS UPDATE.

**EUR:** The EUR/USD pair fell to 1.1352 on Friday and currently at the 1.370 level. The initial catalyst for dollar's strength was profit taking around the GBP/USD ahead of another round of parliamentary discussions this Monday.

**GBP:** GBP/USD in a bearish consolidation phase near 1.2870, focus on Brexit as Theresa May was given up to Monday today to come up with an alternative plan for Brexit.

**INR:** The Indian Rupee is currently trading at the 71.450 level. The domestic currency could be affected by geopolitics and international relations of the US, including decisions related to trade deals and multinational alliances .

**GOLD:** Gold (futures on Comex) stalled its minor recovery from weekly lows of 1280.10 levels and now trades flat near 1282 levels

**CNY:** The People's Bank of China (PBOC) set the yuan reference rate at 6.7774

**UGX:** The Ugandan shilling remains unchanged on weak importer demand.

|                              | Dec   | Nov   | Oct   | Sept  | Aug   |
|------------------------------|-------|-------|-------|-------|-------|
| <b>CBR Rate</b>              | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
|                              | Dec   | Nov   | Oct   | Sept  | Aug   |
| <b>Annual Inflation rate</b> | 5.71% | 4.00% | 4.0%  | 4.00% | 4.35% |

#### KENYA'S ECONOMIC INDICATORS

#### WORLD INDICES & COMMODITIES UPDATE

|           | 21.01    | 18.01    | 17.01    | 16.01    | 15.01    |
|-----------|----------|----------|----------|----------|----------|
| Gold      | 1280.70  | 1291.50  | 1289.30  | 1289.30  | 1290.3   |
| Crude Oil | 54.00    | 52.65    | 51.95    | 52.13    | 51.12    |
| Dow Jones | 24706.35 | 24370.10 | 24207.16 | 24065.59 | 23909.84 |
| S&P 500   | 2670.71  | 2635.96  | 2616.10  | 2610.3   | 2582.61  |
| FTSE 100  | 6968.33  | 6834.92  | 6862.68  | 6895.02  | 6855.02  |

#### TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local ) | Region | Data  | Prior | Forecast |
|---------------|--------|---|-------|----------|
| 07:00         | EUR    | EUR German Producer Price Index (YoY) (DEC) | 3.3%  | 2.9%     |

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

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