



# AFRICAN BANKING CORPORATION LIMITED

## Forex and Money Market Update

14<sup>th</sup> August, 2019.

### FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES |        |        |               |               |
|--------------------------|--------|--------|---------------|---------------|
| Yesterday                |        | Today  |               |               |
| USD/KES                  | 103.25 |        | 102.70/103.80 |               |
| GBP                      | 1.2068 | 124.60 | 1.2004/1.2104 | 123.28/125.63 |
| EUR                      | 1.1192 | 115.55 | 1.1120/1.1220 | 114.20/116.46 |
| JPY                      | 105.38 | 0.9798 | 105.90/106.90 | 0.9607/0.9802 |
| ZAR                      | 15.35  | 6.72   | 14.90/15.40   | 6.66/6.96     |
| INR                      | 71.20  | 1.4501 | 70.70/71.10   | 1.4444/1.4682 |
| AED                      | 3.6735 | 28.10  | 3.6720/3.6750 | 27.94/28.26   |
| CHF                      | 0.9710 | 106.33 | 0.9740/0.9800 | 104.79/106.57 |
| UGX                      | 3690   | 35.73  | 3670/3710     | 35.35/36.12   |
| TZS                      | 2294   | 22.21  | 2274/2314     | 21.90/22.53   |

### MONEY MARKET UPDATE

|                     | 14.08   | 13.08   | 09.08   | 08.08   | 07.08   |
|---------------------|---------|---------|---------|---------|---------|
| Interbank Rate      | 3.75    | 3.64    | 3.55    | 3.30    | 3.20    |
| NSE Share index     | 2,543   | 2,543   | 2,556   | 2,545   | 2,552   |
| T-Bond FXD1/2019/15 | 12.087% | 12.087% | 12.626% | 12.626% | 12.626% |
| T-Bond IFB1/2019/25 | 11.876% | 11.876% | 11.785% | 11.785% | 11.785% |

### LOCAL MARKET UPDATE.

The **Kenyan shilling** weakened against the dollar yesterday amid some dollar demand.

**Equity Market:** The NSE-20 share index fell by 0.48 points to close at 2,543.11 yesterday.

**Fixed income Market/Money Market:** In the debt market, bonds worth Kes 2.28 Billion were traded yesterday.

### GLOBAL MARKETS UPDATE.

**EUR:** EUR/USD continued its range play ahead of key German GDP data this morning. A negative GDP print won't be a surprise considering that yesterday's forward looking data pointed to a significant deterioration in the outlook of the German economy.

**INR:** The rupee strengthened tracking Asian peers which gained after the US delayed tariffs on some Chinese imports.

**GBP:** The GBP/USD has kept a long-term negative bias and traders now await the UK inflation figure for July for direction. A below expectation number would see the pair deep further while an above expectation inflation figure would see it temporarily advance.

**GOLD:** Gold prices declined from the multi-year top on upbeat trade news that saw markets move away from risk – on.

**CRUDE:** Crude oil prices leapt higher following the news by US that some tariffs would be delayed till December.

**UGX:** The Uganda shilling firmed a little against the dollar after previous session's weakening bias. It closed at 3690/3700 levels on Friday.

| Treasury Bills |         | LIBOR    | Mth | 3Mth   | 6Mth   |       |
|----------------|---------|----------|-----|--------|--------|-------|
| Days           | Current | Previous | USD |        |        |       |
| 91             | 6.449%  | 6.547%   | GBP | 0.71%  | 0.77%  | 0.84% |
| 182            | 7.154%  | 7.254%   | EUR | -0.42% | -0.41% | 0.33% |
| 364            | 9.152%  | 9.038%   | JPY | -0.11% | -0.07% | 0.04% |

### KENYA'S ECONOMIC INDICATORS

|                       | Jul   | Jun   | May   | Apr   | Mar   |
|-----------------------|-------|-------|-------|-------|-------|
| CBR Rate              | 9.00% | 9.00% | 9.00% | 9.00% | 9.00% |
| Annual Inflation rate | 6.20% | 5.70% | 5.49% | 6.58% | 5.7%  |

### WORLD INDICES & COMMODITIES UPDATE

|           | 14.08   | 13.08   | 09.08   | 08.08   | 07.08   |
|-----------|---------|---------|---------|---------|---------|
| Gold      | 1,513   | 1,526   | 1,518   | 1,511   | 1,494   |
| Crude Oil | \$56.39 | \$54.85 | \$52.60 | \$52.62 | \$53.65 |
| Dow Jones | 26,279  | 25,897  | 26,378  | 26,007  | 26,029  |
| S&P 500   | 2,926   | 2,883   | 2,939   | 2,883   | 2,881   |
| FTSE 100  | 7,250   | 7,226   | 7,274   | 7,198   | 7,171   |

### TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data                                 | Prior | Forecast |
|--------------|--------|--------------------------------------|-------|----------|
| 10:30        | GBP    | GBP Consumer Price Index (YoY) (JUL) | 2.0%  | 1.9%     |

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

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