



AFRICAN BANKING CORPORATION LIMITED

Forex and Money Market Update

27th SEPTEMBER 2016

FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES | | | | |
|--------------------------|--------|--------|---------------|---------------|
| Yesterday | | Today | | |
| USD/KES | 101.15 | | 100.80/101.60 | |
| GBP | 1.297 | 131.97 | 1.2916/1.3016 | 130.40/132.30 |
| EUR | 1.122 | 113.49 | 1.1194/1.1294 | 113.00/114.70 |
| JPY | 101.15 | 1.0000 | 100.43/101.43 | 0.9958/1.0017 |
| ZAR | 13.95 | 7.2508 | 13.70/14.20 | 7.1056/7.4087 |
| INR | 66.50 | 1.5210 | 66.00/67.00 | 1.5059/1.5378 |
| AED | 3.6725 | 27.54 | 3.6700/3.6750 | 27.45/27.65 |
| CHF | 0.9725 | 104.01 | 0.9700/0.9750 | 103.48/104.63 |
| UGX | 3380 | 33.41 | 3,330/3,430 | 32.71/33.75 |
| TZS | 2175 | 21.50 | 2,125/2,225 | 20.87/21.89 |

LOCAL MARKET UPDATE.

The **Kenya shilling** remained range bound against the greenback on Tuesday morning. And this being the last week of the month the shilling expected to develop a slight bias towards the weakening US dollar.

Equity Market: The NSE-20 share dropped rose by 13 points to close at 3,187 yesterday.

Fixed income Market in the debt market, bonds worth Kes 0.317 Billion were traded yesterday.

GLOBAL MARKETS UPDATE.

EUR: The Euro found some support after the German research institute said its Business Climate Index rose to 109.5 this month, the highest level since July 2014, from a reading of 106.3 in August.

INR: The Indian rupee on Tuesday strengthened for the fourth consecutive session and hit a fresh over-two-week high against the US dollar, tracking the gains in its Asian peer.

GBP: The sterling pound remained steady against the green back on Tuesday morning.

GOLD: Gold prices drifted weaker in Asia on Tuesday as minutes from the Bank of Japan's July meeting showed an easing push and investors awaited the outcome of a debate between the two main candidates for president in the U.S.

UGX: The Uganda' shilling weakened against the green back, amid coffee exports falling by 2% in the month of august.

MONEY MARKET UPDATE

| | 26.09 | 23.09 | 22.09 | 21.09 | 20.09 | |
|---------------------|---------|----------|------------|--------|--------|---------|
| Interbank Rate | 6.19% | 6.24% | 5.73% | 3.35% | 3.17% | |
| NSE Share index | 3187 | 3174 | 3169 | 3170 | 3192 | |
| T-Bond FXD1/2010/30 | 15% | 15% | 15% | 15% | 15% | |
| T-Bond FXD 2/2013/2 | 13% | 13% | 13% | 13% | 13% | |
| Treasury Bills | | | LIBOR | 1Mth | 3Mth | 6Mth |
| Days | Current | Previous | USD | 0.50% | 0.83% | 1.24% |
| 91 | 7.890% | 7.986% | GBP | 0.27% | 0.33% | 0.51% |
| 182 | 10.568% | 10.753% | EUR | -0.37% | -0.32% | -0.20% |
| 364 | 10.599% | 11.894% | JPY | -0.07% | -0.02% | 0.002 % |

KENYA'S ECONOMIC INDICATORS

| | Sep | May | Mar | Jan | Nov |
|------------------------------|--------|-------|-------|-------|-------|
| CBR Rate | 10.00% | 10.5% | 11.5% | 11.5% | 11.5% |
| | Aug | July | June | May | April |
| Annual Inflation rate | 6.26% | 6.39% | 5.80% | 5.0% | 5.27% |

WORLD INDICES & COMMODITIES UPDATE

| | 27.09 | 26.09 | 23.09 | 22.09 | 21.09 |
|-----------|--------|--------|--------|--------|--------|
| Gold | 1,337 | 1,338 | 1,338 | 1,337 | 1,319 |
| Crude Oil | \$45 | \$44 | \$45 | \$45 | \$43 |
| Dow Jones | 18,094 | 18,261 | 18,392 | 18,293 | 18,120 |
| S&P 500 | 2,152 | 2,154 | 2,177 | 2,163 | 2,139 |
| FTSE 100 | 6,818 | 6,911 | 6,911 | 6,834 | 6,813 |

TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data | Prior | Forecast |
|--------------|--------|-----------------------------|-------|----------|
| 17.00 | USD | USD Consumer Confidence Sep | 101.1 | 98.8 |

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

Philip Wambua (General Manager, Treasury), John Muli (Spot FX Dealer), Bonnfance Olum [Corporate Dealer] Laura Ng'enda and Elly Ooko (Money Market & FX Dealer). Email: treasury@abcthebank.com.