



AFRICAN BANKING CORPORATION LIMITED

Forex and Money Market Update

3rd October, 2017

FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES | | | | |
|--------------------------|--------|--------|---------------|-----------------|
| Yesterday | | Today | | |
| USD/KES | 103.20 | | 103.10/103.50 | |
| GBP | 1.3253 | 136.77 | 1.3217/1.3317 | 136.26/137.83 |
| EUR | 1.1706 | 120.80 | 1.1717/1.1817 | 120.80/122.30 |
| JPY | 113.12 | 0.9123 | 112.16/113.16 | 0.9111/0.9228 |
| CNY | 6.75 | 15.28 | 6.50/7.00 | 14.7142/15.9076 |
| ZAR | 13.55 | 7.6162 | 13.30/13.80 | 7.4637/7.7744 |
| INR | 65.32 | 1.5799 | 65.35/65.70 | 1.5677/1.5822 |
| AED | 3.6727 | 28.14 | 3.6710/3.6745 | 28.0.10/28.1667 |
| CHF | 0.9775 | 106.22 | 0.9760/0.9790 | 105.20/105.94 |
| UGX | 3605 | 34.93 | 3,580/3630 | 34.60/35.25 |
| TZS | 2235 | 21.65 | 2,210/2260 | 21.36/21.95 |

MONEY MARKET UPDATE

| | 03.10 | 02.10 | 29.09 | 28.09 | 27.09 | |
|----------------------|---------|----------|------------|---------|---------|--------|
| Interbank Rate | 8.15% | 8.15% | 8.16% | 7.90% | 7.70% | |
| NSE Share index | 3732 | 3732 | 3751 | 3716 | 3729 | |
| T-Bond FXD1/2016/20 | 13.85% | 13.85% | 13.85% | 13.85% | 13.85% | |
| T-Bond FXD 1/2017/10 | 12.966% | 12.966% | 12.966% | 12.966% | 12.966% | |
| Treasury Bills | | | LIBOR | 1Mth | 3Mth | 6Mth |
| Days | Current | Previous | USD | 1.23% | 1.31% | 1.45% |
| 91 | 8.130% | 8.129% | GBP | 0.24% | 0.27% | 0.40% |
| 182 | 10.317% | 10.317% | EUR | -0.40% | -0.37% | -0.30% |
| 364 | 10.958% | 10.959% | JPY | -0.05% | -0.02% | 0.00% |

LOCAL MARKET UPDATE.

The **Kenya shilling** weakened against the greenback due to demand from oil and retail goods importers.

Equity Market: The NSE-20 share index traded on a flat curve to close at 3732 yesterday.

Fixed income Market: In the debt market, bonds worth Kes 2.6B were traded yesterday

GLOBAL MARKETS UPDATE.

EUR: The Eur stalled its rebound against the dollar ahead of release of key data today, with focus on the US jobs and central bankers' speeches.

INR: The Indian rupee strengthened against the US dollar ahead of the Reserve Bank of India's (RBI) bi-monthly policy decision due later today.

GBP: The Sterling edged higher against the dollar ahead of UK services PMI due for release later today. Focus is also on Yellen's speech scheduled for late Wednesday.

GOLD: Gold prices gained with markets in China, Taiwan and South Korea shut for holidays and caution ahead of remarks later in the day from Fed's Janet Yellen.

CNY: The Chinese yuan opened at 6.6533 against the dollar on Wednesday.

UGX: The UGX was range bound against the dollar but was expected to weaken as central bank ease of monetary policy weighs on the market sentiment.

KENYA'S ECONOMIC INDICATORS

| | Aug | May | Feb | Jan | Nov |
|------------------------------|--------|--------|--------|--------|-------|
| CBR Rate | 10.00% | 10.00% | 10.00% | 10.0% | 10.5% |
| | Aug | July | June | April | Feb |
| Annual Inflation rate | 8.0% | 7.5% | 9.21% | 11.48% | 9% |

WORLD INDICES & COMMODITIES UPDATE

| | 04.10 | 03.10 | 02.10 | 29.09 | 28.09 |
|-----------|---------|---------|---------|---------|---------|
| Gold | 1278 | 1272 | 1277 | 1288 | 1283 |
| Crude Oil | \$49.99 | \$50.41 | \$51.47 | \$51.49 | \$51.96 |
| Dow Jones | 22641 | 22557 | 22405 | 22381 | 22340 |
| S&P 500 | 2534 | 2529 | 2519 | 2510 | 2507 |
| FTSE 100 | 7468 | 7438 | 7372 | 7322 | 7313 |

TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data | Prior | Forecast |
|--------------|--------|---|-------|----------|
| 19.15 | USA | Yellen Gives Welcoming Remarks at Community Banking Event | - | - |

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

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