



# AFRICAN BANKING CORPORATION LIMITED

## Forex and Money Market Update

18<sup>th</sup> August, 2020

### FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES |        |         |               |               |  |
|--------------------------|--------|---------|---------------|---------------|--|
| Yesterday                |        |         | Today         |               |  |
| USD/KES                  | 108.3  |         | 107.70/108.90 |               |  |
| GBP                      | 1.1852 | 141.695 | 1.3086/1.3186 | 140.93/143.59 |  |
| EUR                      | 1.152  | 128.355 | 1.1841/1.1941 | 127.52/130.03 |  |
| JPY                      | 106.58 | 1.0162  | 105.12/106.12 | 1.0149/1.0360 |  |
| ZAR                      | 17.356 | 6.2050  | 17.475/17.484 | 6.1599/6.2317 |  |
| INR                      | 74.356 | 1.4472  | 74.83/74.835  | 1.4391/1.4552 |  |
| AED                      | 3.5231 | 29.4845 | 3.6729/3.6731 | 29.312/29.649 |  |
| CHF                      | 0.9083 | 119.23  | 0.9048/0.9052 | 118.97/120.35 |  |
| UGX                      | 3675   | 33.934  | 3665/3675     | 34.029/33.746 |  |
| TZS                      | 2327.5 | 21.491  | 2320/2330     | 21.541/21.395 |  |

### LOCAL MARKET UPDATE

The Kenyan shilling remained stable yesterday and was expected to gain ground helped by dollar inflows from remittances and horticulture exports.

**Equity Market:** The NSE-20 lost 5 points to close at 1738 yesterday.

**Fixed income Market/Money Market:** In the debt market, bonds worth Kes. 3.15 Billion were traded yesterday.

### GLOBAL MARKETS UPDATE

**EUR:** The pair continued to grind higher amid broad-based losses in the US dollar.

**INR:** The Indian Rupee yesterday ended broadly steady at 74.88 against the US dollar, edging up by a mere 2 paise as forex market saw muted trading activities in the absence of fresh triggers.

**GBP:** The cable rose for the fourth day in a row ahead of the key seventh round of EU-UK talks over post-Brexit ties as Persistent dollar weakness offers support to the spot.

**GOLD:** The commodity rose in Tuesday's early session as tensions between the United States and China escalated.

**CRUDE:** Oil prices rose yesterday as China's plans to ship in large volumes of U.S. crude in August and September outweighed concerns over a slowdown in demand recovery after the coronavirus pandemic and an uptick in supplies.

**UGX:** The Ugandan Shilling was little changed throughout today's session - closing flat at 3665/3675.

### MONEY MARKET UPDATE

|                 | 17.08 | 14.08 | 13.08 | 12.08 | 11.08 |
|-----------------|-------|-------|-------|-------|-------|
| Interbank Rate  | 2.31  | 1.83  | 1.75  | 1.96  | 2.01  |
| NSE Share index | 1738  | 1743  | 1738  | 1751  | 1733  |

### MOST ACTIVE ISSUES

| Bond Identity       | Coupon | Yield  | Average Dirty Price | Volume (M) | Years to maturity |
|---------------------|--------|--------|---------------------|------------|-------------------|
| T-Bond FXD1/2019/5  | 11.30% | 10.20% | 108.5078 %          | 1500       | 3.54              |
| T-Bond FXD2/2018/20 | 11.20% | 12.67% | 104.3201            | 311        | 17.96             |

| Treasury Bills |         |          | LIBOR | 1Mth   | 3Mth   | 6Mth   |
|----------------|---------|----------|-------|--------|--------|--------|
| Days           | Current | Previous | USD   | 1.19%  | 1.39%  | 1.36%  |
| 91             | 6.200%  | 6.123%   | GBP   | 0.21%  | 0.61%  | 0.69%  |
| 182            | 6.561%  | 6.549%   | EUR   | -0.42% | -0.17% | -0.07% |
| 364            | 7.517%  | 7.455%   | JPY   | -0.05% | -0.01% | -0.01% |

### KENYA'S ECONOMIC INDICATORS

|                       | JULY  | MAY   | APR   | MAR   | FEB   |
|-----------------------|-------|-------|-------|-------|-------|
| CBR Rate              | 7.00% | 7.00% | 7.25% | 8.25% | 8.5%  |
|                       | JULY  | JUNE  | MAY   | APR   | MAR   |
| Annual Inflation rate | 4.36% | 4.59% | 5.47% | 5.62% | 5.51% |

### WORLD INDICES & COMMODITIES UPDATE

|           | 18.08   | 17.08   | 14.08   | 13.08   | 12.08   |
|-----------|---------|---------|---------|---------|---------|
| Gold      | 2004    | 1952    | 1961    | 1938    | 1819    |
| Crude Oil | \$42.73 | \$42.40 | \$42.37 | \$42.53 | \$41.75 |
| Dow Jones | 27,844  | 27,931  | 27,896  | 27,976  | 27,686  |
| S&P 500   | 3381    | 3372    | 3373    | 3380    | 3333    |
| FTSE 100  | 6127    | 6090    | 6185    | 6280    | 6154    |

### TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data                     | Prior | Forecast |
|--------------|--------|--------------------------|-------|----------|
| 15:30        | USD    | Housing Starts MoM (JUL) | 17.3% |          |

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

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