



AFRICAN BANKING CORPORATION LIMITED

Forex and Money Market Update

18th June, 2021

FOREIGN CURRENCY UPDATE

| INDICATIVE OPENING RATES | | | | |
|--------------------------|--------|---------|---------------|---------------|
| Yesterday | | Today | | |
| USD/KES | 107.85 | | 107.35/108.30 | |
| GBP | 1.4245 | 151.87 | 1.3849/1.3949 | 148.66/151.06 |
| EUR | 1.2419 | 132.41 | 1.1854/1.1954 | 127.25/129.46 |
| JPY | 109.73 | 0.9819 | 109.51/110.51 | 0.9714/0.9890 |
| ZAR | 13.733 | 7.853 | 14.089/14.095 | 7.794/7.859 |
| INR | 73.125 | 1.4748 | 74.125/74.135 | 1.4669/1.4779 |
| AED | 3.6731 | 29.3615 | 3.6728/3.6735 | 29.250/29.473 |
| CHF | 0.8986 | 120.01 | 0.9176/0.9182 | 119.56/120.46 |
| UGX | 3525 | 32.684 | 3527/3537 | 32.759/32.609 |
| TZS | 2319 | 21.501 | 2314/2324 | 21.535/21.468 |

LOCAL MARKET UPDATE

The Kenyan shilling traded steady against the US currency amid subdued activity yesterday.

Equity Market: The NSE-20 maintained points to close at 1911 yesterday.

Fixed income: In the debt market, bonds worth Kes 0.498 Billion were traded yesterday.

GLOBAL MARKETS UPDATE

EUR: The pair recovered from two-month lows as US Treasury yields seesaw amid declining inflation expectations, stimulus hopes.

GBP: The pair is under pressure around ahead of UK Retail Sales as Uptick in US treasury yields underpins the US dollar demand.

INR: The Indian Rupee weakened beyond 74 level against US dollar yesterday - its lowest level since early May - amid a broad strengthening of greenback after the US Federal Reserve surprised investors by signalling it might raise interest rates faster than expected.

GOLD: The commodity was up on Friday morning in Asia. However, the yellow metal is set to close the week at its lowest level since March 2020 as investors continued to digest the U.S. Federal Reserve's surprisingly hawkish policy decision.

CRUDE: Oil was down Friday morning in Asia but remained above \$70-market after the U.S. Federal Reserve projected possible interest rate hikes earlier than expected.

UGX: The Uganda Shilling remained on the defensive against the US currency with a bit of resistance for the currency pair seen at 3535 levels.

MONEY MARKET UPDATE

| | 18.06 | 17.06 | 16.06 | 15.06 | 14.06 |
|-----------------|-------|-------|-------|-------|-------|
| Inter-bank Rate | 4.45 | 4.45 | 4.377 | 4.19 | 4.14 |
| NSE Share index | 1911 | 1911 | 1909 | 1919 | 1911 |

MOST ACTIVE ISSUES

| Bond Identity | Coupon | Yield | Average Dirty Price | Volume (M) | Years to maturity |
|---------------------|--------|--------|---------------------|------------|-------------------|
| T Bond IFB1/2020/11 | 10.20% | 10.94% | 103.20 | 900 | 10.16 |
| T Bond IFB1/2021/18 | 12.67% | 11.52% | 109.95 | 750 | 17.177 |

| Treasury Bills | | LIBOR | 1Mth | 3Mth | 6Mth | |
|----------------|---------|----------|------|--------|--------|--------|
| Days | Current | Previous | USD | 0.08% | 0.12% | 0.17% |
| 91 | 7.104% | 7.137% | GBP | 0.05% | 0.06% | 0.10% |
| 182 | 7.731% | 7.818% | EUR | -0.57% | -0.54% | -0.52% |
| 364 | 8.648% | 9.973% | JPY | -0.07% | -0.93% | -0.05% |

KENYA'S ECONOMIC INDICATORS

| | MAY | APR | MAR | FEB | JAN |
|-----------------------|-------|-------|-------|-------|-------|
| CBR Rate | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% |
| | MAY | APR | MAR | FEB | JAN |
| Annual Inflation rate | 5.87% | 5.76% | 5.78% | 7.17% | 5.69% |

WORLD INDICES & COMMODITIES UPDATE

| | 18.06 | 17.06 | 16.06 | 15.06 | 14.06 |
|-----------|---------|---------|---------|---------|---------|
| Gold | 1784 | 1819 | 1861 | 1865 | 1866 |
| Crude Oil | \$70.75 | \$72.00 | \$72.48 | \$71.11 | \$71.25 |
| Dow Jones | 33,823 | 34,033 | 34,299 | 34,393 | 34,479 |
| S&P 500 | 4221 | 4223 | 4246 | 4255 | 4274 |
| FTSE 100 | 7153 | 7184 | 7172 | 7146 | 7134 |

TODAY'S MAJOR ECONOMIC DATA & EVENTS

| Time (Local) | Region | Data | Prior | Forecast |
|--------------|--------|-------------------------------------|-------|----------|
| 12:00 | EUR | Core Inflation Rate YoY Final (MAY) | 0.7% | 0.9% |

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

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