



**DOMESTIC NEWS**

The Kenyan shilling weakened marginally against the greenback on Friday, as a pick-up in importer dollar demand outweighed inflows from exports and remittances amid high liquidity in the local money market. At close of trade, the local currency traded at 100.25/45, marginally weaker than the opening level of 100.05/25. High liquidity in the market pushed the over-night interbank rate to a low of 1.7866% as at Thursday last week, compared to 5% as at end of January.

Meanwhile, the Central Bank acting in its capacity as a fiscal agent for the Republic of Kenya is offering an opportunity to invest in a new five-year bond, FXD1/2019/5 and a new ten-year bond, FXD1/2019/10 seeking to raise KES 50bn in the month of February 2019. The period of sale for the two bonds is from 7th Feb to 19th Feb 2019 and the coupon rate for both issues will be market-determined.

**Indicative Forex rates**

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	96.85	103.85	97.85	102.85
GBP/KES	125.75	133.75	126.25	133.25
EUR/KES	110.10	117.10	110.60	116.60
AED/KES	25.80	28.80	25.80	28.80

Money Market Rates	Current	Previous	Change
Interbank Rate	1.7886%	2.1721%	-0.384
91-Day T-bill	7.040%	7.061%	-0.021
182-Day T-Bill	8.567%	8.780%	-0.213
364-Day T-Bill	9.644%	9.856%	-0.212
Inflation	4.70%	5.71%	-1.010
CBR RATE	9.00%	9.50%	-0.500

(Source; Central Bank of Kenya)



(Source; Reuters)

**INTERNATIONAL NEWS**

The U.S. dollar rose against most other currencies on Friday as fresh worries over U.S.-Sino trade tensions and global growth pushed investors towards the safety of the greenback. The dollar index, a gauge of its value versus six major peers, was marginally higher at 96.70, putting it on track for an eighth straight day of gains.

Trade tensions between the world's two largest economies have been a major driver of global investor sentiment over the past year. Market confidence took a hit last week when U.S. President Donald Trump said he did not plan to meet with Chinese President Xi Jinping before a March 1 deadline set by the two countries to achieve a trade deal. Trump has vowed to increase U.S. tariffs on \$200 billion worth of Chinese imports to 25% from 10% if the two sides cannot reach a deal by March 2.

The euro was on track for its biggest weekly drop in four months after falling 0.25% to settle at \$1.1315. The common currency has come under pressure after the E.U. sharply cut its forecasts for euro zone economic growth for this year and next, with the bloc's largest economies expected to be held back by global trade tensions and domestic challenges.

Meanwhile, the sterling pound was also headed for its worst weekly decline since October, with a stalemate over Brexit weighing on the currency and leading the Bank of England to cut its UK growth forecast. The pound fell 0.2% on the day to settle at \$1.2930.

Elsewhere, oil prices edged marginally higher on Friday but ended the week with a loss on renewed concerns about slowing global demand. Brent crude futures gained 30 cents to settle at \$61.55.

**Indicative Profit Rates on Deposits**

	Indicative Profit Rates on Deposits	
	Amounts > 10 Million	Amounts >100,000
	KES	USD
2 Weeks	6.50%	2.00%
1 Month	7.00%	2.50%
3 Months	8.00%	2.75%
6 Months	8.50%	3.50%
1 year	9.00%	3.75%

**Indicative Cross Rates**

	Bid	Offer
EUR/USD	1.1265	1.1365
GBP/USD	1.2880	1.2980
USD/AED	3.6675	3.6785
USD/JPY	109.50	110.50