



DOMESTIC NEWS

The Kenya shilling was steady on Friday as supply from exports and remittances matched demand from merchandise importers. The local unit is however expected to weaken in the next few days due to end month dollar demand from the energy sector and other general goods importers.

By close of the day, the local unit stood at 109.45/65, similar to the day's opening.

The Central Bank of Kenya usable foreign exchange reserves remained adequate at USD 7,605 million (4.67 months of import cover) as at February 18. This meets the CBK's statutory requirement to endeavor to maintain at least 4 months of import cover, and the EAC region's convergence criteria of 4.5 months of import cover.

Elsewhere, international oil prices sustained upward trend during the week following significant decline in U.S. crude oil production arising from freezing temperatures in Texas and other parts of the U.S. resulting in frozen wellheads and pipelines. Murban oil price (Kenya's benchmark) increased to \$63.53 per barrel on February 18 from \$60.85 per barrel on February 11.

Indicative Forex Rates

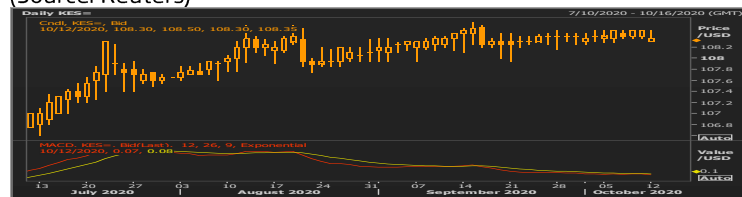
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	106.10	113.10	107.10	112.10
GBP/KES	149.68	157.68	150.18	157.18
EUR/KES	129.34	136.34	129.84	135.84
AED/KES	27.84	31.84	27.84	31.84

Money Market Rates	Current	Previous	Change
Interbank Rate	4.0314%	4.0296%	0.0018
91-Day T-bill	6.911%	6.905%	0.006
182-Day T-Bill	7.684%	7.644%	0.040
364-Day T-Bill	8.931%	8.824%	0.107
Inflation	5.690%	5.620%	0.070
CBR RATE	7.000%	7.000%	0.000

Source: Central Bank of Kenya

LIBOR Rates	USD	EUR	GBP
6 Months	0.19500	-0.52943	0.07900
12 months	0.28650	-0.49329	0.13238

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The dollar was down in early trade, as continued progress on curbing the COVID-19 virus boosted risk sentiment. The greenback is likely to drop further as the focus remains on the global economic recovery from COVID-19, and progress against the pandemic continues to be made.

However, disappointing labor market data came as a reminder of how much slack the pandemic has left in the labor market diluting optimism over a quick U.S. economic recovery. Besides the U.S. budget deficit, a growing trade deficit has also weighed on the dollar, as have the large gains that rising commodity prices have delivered to exporters' currencies.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched down 0.02% to 90.323.

The Pound inched up 0.08% to \$1.4020 as markets await Prime Minister Boris Johnson's plan to ease the current COVID-19 lockdowns as the country presses on with one of the fastest vaccine rollouts globally.

The Euro was steady at \$1.2120 as markets expect the European Central Bank President Christine Lagarde to sound dovish in a speech later today.

Elsewhere, Oil was up 1.13% in early trade with Brent at \$62.84, as production that was cut by an unprecedented cold snap in Texas and the surrounding areas during the previous week slowly returned. Also giving the black liquid a boost is progress against the COVID-19 pandemic, in turn booting hopes for fuel demand recovery.

Source: Reuters

Indicative Profit Rates on Deposits		
	Amounts > 10 Million	Amounts > 100,000
	KES	USD
2 Weeks	6.00%	0.05%
1 Month	6.25%	0.75%
3 Months	6.50%	1.00%
6 Months	6.75%	1.25%
1 year	7.00%	1.50%

Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.1980	1.2280
GBP/USD	1.3900	1.4200
USD/AED	3.6605	3.6865
USD/JPY	104.30	107.30