

Today's Indicative Exchange Rate for SWIFT transfers:

	Against USD		Against KES	
	Bid	Ask	Bid	Ask
USD	-	-	110.20	113.20
GBP	1.3364	1.3464	147.27	152.41
EUR	1.2079	1.2179	133.11	137.87
JPY	103.10	104.60	1.0535	1.0980
AED	3.49	3.69	29.86	32.44
AUD	0.7378	0.7478	81.31	84.65
ZAR	14.23	15.73	7.01	7.96
UGX	3540	3790	31.27	34.39

Kenya Shilling: The Kenya Shilling ended the week on Friday having erased the losses made and gaining some ground against the U.S. Dollar. We anticipate the pair to trade range bound in the near term.

Money-Market: The overnight rate rose to 3.9613% on a volume of Kes. 5.775B compared to Kes. 4.110B posted in the previous session.

Global Trends:

EUR: The EUR/USD pair eased on Friday to close the week with solid gains in the 1.2120 price zone. Generally speaking, markets remained optimistic, mostly based on coronavirus vaccination plans.

GBP: The GBP/USD pair hit 1.3539 on Friday, its highest level since May 2018, on the back of hopes for an "imminent" trade deal between the EU and the UK, according to comments from an unnamed EU official. However, intensive Brexit trade talks have borne no fruit.

JPY: USD/JPY rose back above the 104.00 level in wake of Friday's US labour market report for November. The US dollar is outperforming JPY as a result of the steepening of the US yield curve, which makes investing in US bonds more attractive relative Japanese Bonds.

GOLD: Gold prices settled higher on Friday at \$1,841.10 an ounce, up \$10.90 an ounce or 0.6%. A weaker US dollar helped push prices up in the afternoon session after it was weak earlier in the day.

OIL: The great late 2020 energy rebound continued on Friday as expectations of a US economic stimulus package and a vaccine for the coronavirus again overrode rising supply and COVID-19 deaths.

Market Summary:

	04.12	03.12	02.12	01.12	30.11
Interbank Rate (%)	3.9613	3.9299	3.9273	3.8882	3.8442
NSE 20 Share index	1,786.42	1,778.46	1,760.98	1,752.17	1,759.93
Oil (\$)	49.15	49.81	48.22	47.30	47.68
Gold (\$)	1,842.00	1,840.90	1,833.45	1,812.60	1,787.60

Inflation & CBR

	Oct	Sep	Aug	Jul	Jun
Inflation rate	4.80%	4.20%	4.40%	4.36%	4.60%
CBR rate	7.00%	7.00%	7.00%	7.00%	7.00%

Libor Rates (%)

Tenure	USD	GBP	EUR
O/N	0.08275	0.04438	-0.58229
1M	0.15275	0.03438	-0.58614
3M	0.22538	0.03775	-0.55700
6M	0.25738	0.05863	-0.51900

Deposit Rates (> 20M)

Tenure	Rate
Call	3.00%
1M	5.00%
3M	6.00%
6M	7.00%

Treasury Bills

	Current rate	Previous rate
91-day	6.861%	6.730%
182-day	7.333%	7.193%
364-day	8.204%	8.151%

Highlight of the Day:

USD: The U.S. dollar is currently hovering around lows last seen in April 2018 as investors continue to pour back into riskier assets, and analysts expect this weakness to persist into 2021.

As of Friday afternoon in Europe, the DXY U.S. dollar index was trading at around 90.68, down by around 6% year-to-date despite having climbed above the 102 mark in March, as the coronavirus pandemic spread globally and sent investors running for safety.

A series of successful vaccine trials has driven a windfall for equity markets and other riskier asset classes over the past month, however, causing the greenback to slide against most G10 currencies.

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