

Today's Indicative Exchange Rate for SWIFT transfers:

| | Against USD | | Against KES | |
|------------|-------------|--------|---------------|---------------|
| | Bid | Ask | Bid | Ask |
| USD | - | - | 110.30 | 113.00 |
| GBP | 1.3287 | 1.3387 | 146.56 | 151.27 |
| EUR | 1.2101 | 1.2201 | 133.47 | 137.87 |
| JPY | 103.08 | 104.58 | 1.0547 | 1.0962 |
| AED | 3.49 | 3.69 | 29.89 | 32.38 |
| AUD | 0.7471 | 0.7571 | 82.41 | 85.55 |
| ZAR | 14.05 | 15.55 | 7.09 | 8.04 |
| UGX | 3518 | 3768 | 31.13 | 34.16 |

Kenya Shilling: The Kenya Shilling traded within a tight range on Monday, ending the day with hardly any changes as dollar supply and demand dynamics continue to level off in the near term.

Money-Market: The overnight rate rose to 5.1317% on a volume of Kes. 25.420B compared to Kes. 12.665B posted in the previous session.

Global Trends:

EUR: The dollar started the week on the back foot amid early risk-on flows that got a boost from Brexit talks being extended and a vaccine being delivered in the U.S., but EUR/USD's rally was beaten back after testing the Dec. 4 trend high at 1.2177.

GBP: On Sunday, both Boris Johnson and Ursula von der Leyen expressed a desire to continue speaking about a negotiated Brexit settlement, and therefore the British pound opened up rather strongly.

JPY: The USD/JPY pair fell on the broad dollar's weakness, amid an optimistic mood, and recovered with falling equities and a sour sentiment, with the market ignoring the yen's safe-haven condition.

GOLD: Gold prices slid on Monday as the rollout of a COVID-19 vaccine in the United States drove optimism in wider financial markets with investors banking on a resultant economic recovery.

OIL: Oil prices rose early on Monday after the U.S. FDA approved the Pfizer-BioNTech vaccine for emergency use and shipments of batches of vaccine vials began this weekend, with first vaccinations expected as early as on Monday.

Market Summary:

| | 14.12 | 11.12 | 10.12 | 09.12 | 08.12 |
|--------------------|----------|----------|----------|----------|----------|
| Interbank Rate (%) | 5.1317 | 4.5205 | 4.2463 | 4.1639 | 4.1441 |
| NSE 20 Share index | 1,796.64 | 1,794.06 | 1,782.06 | 1,774.88 | 1,780.30 |
| Oil (\$) | 50.04 | 50.30 | 50.41 | 49.13 | 48.74 |
| Gold (\$) | 1,838.50 | 1,834.30 | 1,838.05 | 1,841.00 | 1,861.60 |

Inflation & CBR

| | Nov | Oct | Sep | Aug | Jul |
|----------------|-------|-------|-------|-------|-------|
| Inflation rate | 5.50% | 4.80% | 4.20% | 4.40% | 4.36% |
| CBR rate | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% |

Libor Rates (%)

| Tenure | USD | GBP | EUR |
|--------|---------|---------|----------|
| O/N | 0.08325 | 0.04488 | -0.58386 |
| 1M | 0.15863 | 0.02100 | -0.58200 |
| 3M | 0.21650 | 0.03488 | -0.57229 |
| 6M | 0.24875 | 0.02463 | -0.53557 |

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 | 6.901% | 6.861% |
| 182-day | 7.363% | 7.333% |
| 364-day | 8.246% | 8.204% |

Highlight of the Day:

USD: The U.S. Dollar finished lower against a basket of major currencies on Monday as riskier currencies got a boost from progress on COVID-19 vaccines and the possibility of a U.S. coronavirus relief plan. However, after hitting a more than 2-1/2 year low, the index bottomed and began to claw back losses after U.S. equity market started to retreat from record highs.

While investors were zeroing in on the vaccine headlines, negotiators in the U.S. Congress were nearing agreement on Monday on a massive government spending deal that would avoid a government shutdown and could serve as the vehicle to pass a fresh round of aid to a coronavirus-hit nation.

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