

Today's Indicative Exchange Rate for SWIFT transfers:

	Against USD		Against KES	
	Bid	Ask	Bid	Ask
USD	-	-	106.10	108.60
GBP	1.4143	1.4243	150.06	154.68
EUR	1.2149	1.2249	128.90	133.02
JPY	108.69	110.19	0.9629	0.9992
AED	3.49	3.69	28.75	31.12
AUD	0.7676	0.7776	81.44	84.45
ZAR	12.78	14.28	7.43	8.50
UGX	3399	3649	31.30	34.39

Kenya Shilling: The Kenyan shilling held steady against the dollar on Friday after the Central Bank rate was maintained at 7% and ahead of an imminent infusion of \$750 million from a World Bank loan.

Money-Market: The overnight rate fell to 4.9617% on a volume of Kes.15.710B compared to Kes.12.540B posted in the previous session.

Global Trends:

EUR: The euro initially declined on Friday but recovered most of the ground as U.S. dollar retreated as new data affirmed concerns of a surging inflation.

GBP: The British pound held firm near a three-month high against the dollar on Friday on rising expectations of an earlier than expected rate hike by the Bank of England.

JPY: The dollar gave up gains against the Japanese yen on Friday as investors reduced bullish bets on greenback after seeing new economic data confirm expectations about U.S. inflation.

GOLD: Gold reversed course and turned positive on Friday, briefly popping above the key \$1,900 level, after data showed rising U.S. consumer prices in April and boosted bullion's appeal as an inflation hedge.

OIL: Oil prices inched higher on Friday, with Brent holding near \$70 a barrel as strong U.S. economic data and expectations of a rebound in global demand outweighed concerns about more supply from Iran once sanctions are lifted.

Market Summary:

	28.05	27.05	26.05	25.05	21.05
Interbank Rate (%)	4.9617	5.0056	5.0656	5.1044	4.9225
NSE 20 Share index	1,862.15	1,863.68	1,865.30	1,863.86	1,858.87
Oil (\$)	69.13	69.43	68.60	68.77	66.96
Gold (\$)	1,908.75	1,892.75	1,902.00	1,896.00	1,885.50

Inflation & CBR

	Apr	Mar	Feb	Jan	Dec
Inflation rate	5.80%	5.90%	5.80%	5.70%	5.60%
CBR rate	7.00%	7.00%	7.00%	7.00%	7.00%

Libor Rates (%)

Tenure	USD	GBP	EUR
O/N	0.06113	0.04175	-0.57557
1M	0.08588	0.05100	-0.57514
3M	0.13138	0.08125	-0.54486
6M	0.17100	0.10600	-0.52129

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	7.156%	7.152%
182-day	7.995%	7.990%
364-day	9.365%	9.424%

Highlight of the Day:

USD: The dollar continued to rebound on Friday as traders tidied positions for month-end and new data largely confirmed expectations about inflation and the strength of the U.S. economic recovery.

The U.S. inflation data released on Friday also briefly drove the greenback higher against other currencies that day, though the currency ran out of steam ahead of a long weekend in New York and London. But with key Fed officials now openly acknowledging the need to discuss tapering, further signs of strength in the U.S. economy, could fuel debate about tapering, analysts said.

Sources: Bloomberg, FXStreet, Reuters, Global-rates, CBK, EconoTimes, GlobalBankingandFinance.

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