

Daily Market News



8th August 2018.

DOMESTIC NEWS

The Uganda shilling posted gains against the U.S. dollar on Tuesday, buoyed by a local currency liquidity squeeze in the interbank market and a slowdown in appetite for dollars by the corporate sectors.

Commercial banks quoted the shilling at 3680/3700, stronger than Monday's close of 3693/3713 ranges. The outlook for the local unit remains largely range-bound as interbank players expect market activity to steadily pick up in the local FX scene.

Bank of Uganda offers Ugx 220 Bio in today's 2 year and 15 year primary bond auctions.

Counter Rates	Today's Opening		Forward Rate (USD)	
	Buy TT	Sell TT	1 month	
USD/UGX	3615	3750	Buy	3759
EUR/UGX	4187	4394	Sell	3917
GBP/UGX	4690	4883		
KES/UGX	33.97	38.61	3 Months	
TZS/UGX	1.26	3.00	Buy	3740
RWF/UGX	3.48	6.59	Sell	3966

Key Economic Indicators	Current	Previous
CBR	9.00	9.00
Headline inflation (%)	3.10	2.20
Core inflation (%)	2.50	0.80
Inter-bank O/N (%)	9.0	9.00
Inter-bank 1WK (%)	9.50	9.25

Government Securities	Current Yield (%)	Previous Yield (%)
91-day	10.761	10.516
182-day	11.999	12.028
364-day	14.503	14.502
2-year	13.161	11.25
3-year	16.50	11.86
5-year	14.650	12.63
10-year	17.25	14.38
15-year	14.97	14.43

INTERNATIONAL NEWS

The U.S. dollar edged lower against a basket of currencies on Tuesday as its recent rally on global trade tensions showed signs of fading. U.S. economic data showing U.S. job openings undershot economists' estimates did little to help the greenback's attempt at paring losses.

In a reminder of the growing trade disputes, the U.S. Trade Representative's office said that the United States would begin collecting 25 percent tariffs on another \$16 billion of goods it imports from China later this month.

The GBP/USD rose to \$1.2951, but remained at 11-month lows as fears of a no-deal Brexit offset upbeat U.K. house price data. Inflation expectations and hopes for interest rate hikes from the Bank of England are also dragging on the Sterling.

The Euro weighed stronger on the dollar at \$1.1592, despite a steeper-than-expected decline in German industrial production.

Indicative Cross Rates		
	Buy	Sell
EUR	1.1423	1.1823
GBP	1.2755	1.3155
JPY	109.28	113.28
CHF	0.8017	1.2017

Indicative Deposit Rates		
	UGX > 100 million	USD > 100,000
1 month	6.00	0.5
3 months	6.50	0.75
6 months	7.00	1.00
12 months	7.50	1.25

Commodities	
Crude Oil	\$ 69.27
Gold	\$ 1,222.00