

14th August 2018.

DOMESTIC NEWS

The Uganda shilling slumped further against the U.S dollar on Monday, closing the session at 3745/3765 weaker than Friday's close of 3705/3725.

Renewed greenback demand from the manufacturing and energy sectors exerted pressure on the home unit amidst a dearth of anticipated dollar inflows from the agriculture sector.

The Regulator maintained its benchmark lending rate at 9.00 per cent . The Governor BOU noted that the neutral monetary policy stance will contribute to attaining sustainable economic growth alongside keeping inflation close to its target.

| Counter Rates | Today's Opening | | Forward Rate (USD) | |
|---------------|-----------------|---------|--------------------|------|
| | Buy TT | Sell TT | 1 month | |
| USD/UGX | 3680 | 3845 | Buy | 3759 |
| EUR/UGX | 4182 | 4385 | Sell | 3917 |
| GBP/UGX | 4704 | 4895 | 3 Months | |
| KES/UGX | 34.48 | 39.12 | Buy | 3740 |
| TZS/UGX | 1.26 | 3.00 | Sell | 3966 |
| RWF/UGX | 3.48 | 6.59 | | |

| Key Economic Indicators | Current | Previous |
|-------------------------|---------|----------|
| CBR | 9.00 | 9.00 |
| Headline inflation (%) | 3.10 | 2.20 |
| Core inflation (%) | 0.85 | 1.60 |
| 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 rose against its rivals on Monday, but gains were capped as the Euro eased from a 13-month low, despite a fresh rout in the Turkish lira.

The fresh wave of selling seen in the lira comes amid growing investor fears that emerging-markets reliant on foreign debt such as South Africa and Indonesia may struggle to finance growth in the wake of rising U.S. interest rates, which tends to lift the dollar.

The GBP/USD pair fell to \$1.2750 on investor fears that Britain's departure from the European Union would be fractious, with Brexit talks set to resume this week after a summer break.

The Euro traded little changed at \$1.1410, having fallen to a 13-month low of \$1.1365 on Monday. The single currency remains under pressure as the Turkish lira wobbled on worries that Turkey's economic woes could hit European banks and spread to other emerging economies.

| Indicative Cross Rates | | |
|--------------------------|-------------------|---------------|
| | Buy | Sell |
| EUR | 1.1201 | 1.1601 |
| GBP | 1.2563 | 1.2963 |
| JPY | 108.82 | 112.82 |
| 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 | \$ 67.44 | |
| Gold | \$ 1,201.10 | |