




Daily Treasury Bulletin

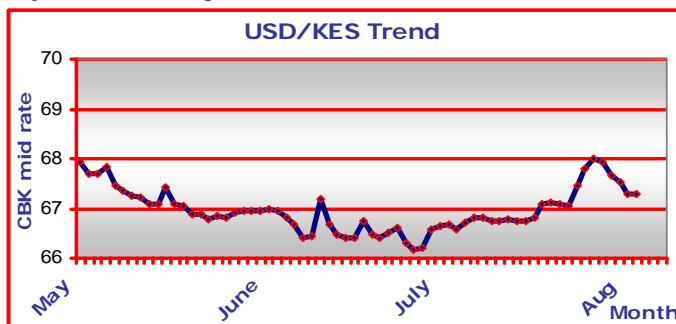
03rd Aug 2007

The following are indicative inter-bank buying and selling rates as at **11.30a.m** Kindly note these rates are subject to change at the time of booking with us due to high market volatility. Please contact Fina Bank Treasury Team for firm rates on 249573, 316370, or email: treasury@finabank.com

Currency	USD/KES	EUR/KES	GBP/KES	AUD/KES	ZAR/KES	INR/KES	USD/RWF		INT. RATES
Rate	66.25/45	90.70/00	134.80/20	56.65/85	9.40/50	1.6445/35	549.00	USD 	5.25%
FCY Pairs	USD/JPY	EUR/USD	GBP/USD	AUD/USD	USD/ZAR	USD/INR	NSE INDEX	GBP 	5.75%
Spot	119.15	1.3690	2.0350	0.8555	7.03	40.30	5310.05	EUR 	4.00%

Kenya/Forex

The shilling opened at a level of 67.15-25 against the dollar which was the same as previous day closing. Once the shilling managed to successively breach the 67.00 level, it further strengthened to 66.55-65 before closing trade at 67.65-75. Market was sitting long dollars which were sold off during the early hours of trading leading to shilling strengthening and demand continued to remain subdued. Inflows from some sectors were seen. For the day we expect trading to range between a level of 66.50 and 67.00 and in the case 66.50 resistance level is breached, further strength may be seen to target levels of 66.20.



Kenya/Money Markets

MM Results	CBK Repo	Results	91-day T-bills	182-day T-bills
Amt Borrowed (KES bln)	Amt Advertised (KES bln)	Av. Rate	Auction 06/08/07	Auction 06/08/07
9.07	5.0	7.40%	7.084%	7.927%
Av. Rate Lending	Amt Accepted (KES billion)	Tenor (Days)	Auction 30/07/07	Auction 30/07/07
7.28%	3.1	4-18	6.902%	7.575%

International/Forex

The Bank of England lefts rates steady yesterday at 5.75% as expected by the markets and the sterling was slightly weaker against the dollar after this decision.

The ECB also held rates steady at 4.00% as widely expected by the markets but the Euro moved slightly higher against the dollar and sterling after Trichet's comments stating 'strong vigilance' is needed to stem inflation risks, which signals a possible rate hike in September. The comments were inline with market expectations and therefore the Euro did not move much.

The dollar was weaker yesterday against the majors except against the Yen during the New York trading session. Traders sold off the Yen against the dollar after a rebound in the US blue chips stocks and ahead of the non-farm payroll data. The ADP employment survey showed that the US economy is likely to have created only 48,000 new jobs against expectations of 100,000 which led to the dollar sell-off but markets will watch today's non-farm payroll data. On the data front the US June factory orders rose by 0.60% vs expectations of 1.00%. This data did little to dent the dollar as market focus currently lies on the sub prime mortgages leading to credit crunch in the US and effects on the global stock markets.

Major data today includes Euro zone retail sales, UK PMI Service data and US non-farm payroll data.

International/Commodities

Oil rose again on Thursday after OPEC said the producer group would not hike output despite concerns of a shortfall in the supply. London Brent traded at \$75.76 a barrel and US crude traded at \$76.86 a barrel.

Gold ended slightly higher yesterday in quiet trade with spot gold trading at \$664 per ounce. Traders were watching global stock markets to get clues on further trading directions.