



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 11TH JUNE 2019

DOMESTIC NEWS

The Kenyan shilling slightly weakened against the dollar on Monday due to dollar demand outweighing inflows. At the close of trade, the local unit was quoted at 101.20/40, as compared to the previous day's close of 101.15/35.

Elsewhere, overnight interbank rates were relatively stable as CBK stayed out of the Repo market since 29th May 2019 an indication that liquidity conditions have somewhat improved.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.80	104.80	98.80	103.80
GBP/KES	124.47	132.47	124.97	131.97
EUR/KES	111.15	118.15	111.65	117.65
AED/KES	26.08	29.08	26.08	29.08

Money Market Rates	Current	Previous	Change
Interbank Rate	3.689%	4.372%	-0.693
91-Day T-bill	6.915%	6.995%	-0.080
182-Day T-Bill	7.606%	7.651%	-0.045
364-Day T-Bill	9.299%	9.311%	-0.012
Inflation	5.490%	6.580%	-1.090
CBR RATE	9.00%	9.00%	0.000

(Source: Central Bank of Kenya)



(Source: Reuters)

INTERNATIONAL NEWS

U.S. President Donald Trump said on Monday he was ready to impose another round of tariffs on Chinese imports if he does not reach a trade deal with China's president at the Group of 20 summit in Osaka, Japan. Since two days of talks to settle the U.S.-China trade dispute last month in Washington ended in a stalemate, Trump has repeatedly said he expected to meet Chinese President Xi Jinping at the G20 gathering. China has not confirmed any such meeting.

Meanwhile, the GBP/USD pairs to 1.2680 while waiting for the UK employment data ahead of the London open on Tuesday. With the Brexit hardliner Boris Johnson leading the race to become the next UK PM, odds are high that the EU's won't be having upper hands in negotiations with the ex-Foreign Minister that has already said to exit the bloc on October 31 with or without a deal.

The euro is currently trading at 1.1316, it dipped after two sources familiar with the European Central Bank's policy discussions said on the weekend that a rate cut was firmly in play if the bloc's economy stagnates again after expanding by 0.4% in the first quarter.

Elsewhere, the Japanese Yen was down 0.1% against the dollar at 108.62 as risk sentiment was boosted after the U.S. and Mexico struck a migration deal late last week to avert a tariff war.

Oil prices stabilized on Tuesday to \$62.36 on expectations that producer group OPEC and its allies will keep withholding supply cuts to prevent prices from tumbling.

Indicative Profit Rates on Deposits		
Amounts > 10 Million	Amounts >100,000	
	KES	USD
2 Weeks	6.50%	2.00%
1 Month	7.00%	2.50%
3 Months	8.00%	2.75%
6 Months	8.50%	3.50%
1 year	9.00%	3.75%
Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.1270	1.1390
GBP/USD	1.2630	1.2740
USD/AED	3.6675	3.6775
USD/JPY	107.80	110.00

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