



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 12TH JUNE 2019

DOMESTIC NEWS

The Kenyan shilling edged down against the dollar on Tuesday weighed down by dollar demand from merchandise and oil importers. At the close of trade, the local unit was quoted at 101.35/55, as compared to the previous day's close of 101.20/40.

Elsewhere, The National Treasury has announced that the budget reading for the fiscal year 2019/2020 will be held on Thursday 13th June 2019, and it would be delivered by CS Henry Rotich in the National Assembly.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.90	104.90	98.90	103.90
GBP/KES	125.00	133.00	125.50	132.50
EUR/KES	111.41	118.41	111.91	117.91
AED/KES	26.11	29.11	26.11	29.11

Money Market Rates	Current	Previous	Change
Interbank Rate	3.031%	3.689%	-0.658
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, continued to suggest the U.S. has the edge in the ongoing trade war. "It's me right now that's holding up the deal," Trump said. "And we're going to either do a great deal with China or we're not going to do a deal at all." Both nations upped the ante on Tuesday, with China's foreign ministry warning that it would respond firmly if the U.S. insisted on escalating its standoff with China.

Meanwhile, the GBP/USD pair is near 1.2720 ahead of the London open on Wednesday. The lead runner for the UK Prime Minister Boris Johnson is all set to announce his campaign with a single motto of leaving the EU on October (be it with or without the deal). However, some of the Tory backbenchers and the opposition Labour party members are likely to unite against the hard Brexit.

The euro is consolidating above 1.13 ahead of Draghi's speech and key US data releases. The central bank said last week that it would delay its first post-crisis rate hike until middle of next year and Draghi offered to pay banks if they pass on the cash borrowed from the ECB to households and firms.

Elsewhere, the Japanese Yen pair initially rose to 108.80 but then fell to 108.50, to just above the hourly cloud, taking a back seat ahead of the U.S. CPI and the Fed next week.

Oil prices were down to \$61.36 on Wednesday in Asia as the U.S. Energy Information Administration (EIA) cut its forecasts for 2019 world oil demand growth and the American Petroleum Institute (API) reported a surprise increase in crude stockpiles. Official weekly data from the EIA is due later in the day.

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	1.1280	1.1400
GBP/USD	1.2640	1.2810
USD/AED	3.6675	3.6775
USD/JPY	107.30	109.80

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