



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 14TH APRIL 2021

DOMESTIC NEWS

The Kenya shilling strengthened against the dollar on Tuesday due to a sharp slowdown in demand for the greenback amid higher inflows from remittances and export proceeds as well as positive sentiments created by the approval of a new financing line for the government by the IMF.

By close of the day, the local unit stood at 106.80/107.00, compared to the day's opening of 107.00/20.

Disbursement of the first tranche of \$300 million, which was available for use on April 2, is supposed to help the country manage its balance of payments as well as ease the pain for traders who use foreign currencies to buy goods and services in the global market.

CBK reserves are expected to improve even further in June when the second instalment of \$411 million will be availed.

An earlier survey undertaken by the apex bank in March showed higher growth prospects for local companies and sectors over the next 12 months. It is still unclear if this optimism still stands following the new indefinite lockdown measures, now in place since the month of April, 2021.

Indicative Forex Rates

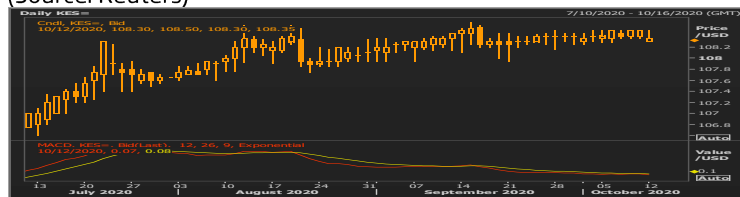
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	103.45	110.45	103.95	109.95
GBP/KES	143.31	151.31	143.81	150.81
EUR/KES	124.43	131.43	124.93	130.93
AED/KES	27.12	31.12	27.12	31.12

Money Market Rates	Current	Previous	Change
Interbank Rate	4.7737%	4.7983%	0.025
91-Day T-bill	7.096%	7.085%	0.011
182-Day T-Bill	7.914%	7.910%	0.004
364-Day T-Bill	9.366%	9.308%	0.058
Inflation	5.900%	5.780%	0.120
CBR RATE	7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	EUR	GBP
6 Months	0.21463	-0.52757	0.10863
12 months	0.28438	-0.50086	0.16338

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The dollar fell to multi-week lows against the majors in early trade after data showed inflation making strong gains in March, though the rise was not expected to alter the Federal Reserve's commitment to keeping interest rates at rock-bottom levels for years to come. Consequently, global equity markets rose to fresh record highs.

The U.S. dollar index, which measures the greenback's strength against a trade-weighted basket of six major currencies fell to as low as 91.724.

Euro popped up 0.28% to \$1.1960, extending a rally from a low of \$1.1704 set on March 31 on indications that suggest a top is in place for the U.S. Treasury yields. ECB President Lagarde and FED Chair Powell are scheduled to speak today.

Sterling held firm at \$1.3780 after finding support, helped by dollar weakness that appeared to be more driven by the U.S. calling for a pause in the distribution of Johnson and Johnson's COVID vaccine than the unexpectedly strong U.S. CPI. The UK was expected to approve the JNJ vaccine and has ordered 30 million doses for summer delivery.

Oil was up 0.66% with Brent at \$64.09 per barrel as investors cheered a decline in U.S. crude oil supplies. OPEC+'s monthly report showed that increasing consumption should help to keep stockpiles low, even as the cartel prepares to ease production curbs from May onwards. Nonetheless, COVID-19 could still have the last word.

Elsewhere in crypto, bitcoin traded at \$63,287 after hitting a record high of \$63,769, ahead of the listing of shares in cryptocurrency platform Coinbase on Nasdaq today.

Source: Reuters

Indicative Profit Rates on Deposits		
	Amounts > 10 Million	Amounts >100,000
	KES	USD
2 Weeks	6.00%	0.05%
1 Month	6.25%	0.75%
3 Months	6.50%	1.00%
6 Months	6.75%	1.25%
1 year	7.00%	1.50%

Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.1820	1.2120
GBP/USD	1.3635	1.3935
USD/AED	3.6610	3.6865
USD/JPY	107.40	110.40

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