



**DIB Bank Kenya**  
A subsidiary of Dubai Islamic Bank PJSC

## TREASURY MARKET UPDATE 15TH DECEMBER 2020

### DOMESTIC NEWS

The Kenya shilling was stable against the dollar on Monday as demand for hard currency remained subdued amid slow activity as companies close down for the festive season.

By close of day, the local unit stood at 111.50/70 compared to the day's opening of 111.45/65.

Separately, the Capital Markets Authority (CMA) has formed a team to address foreign investors' dominance at the Nairobi Securities Exchange (NSE) while it is also keen to address the concentration of only 5 top companies, which are the prime movers of volumes at the bourse.

Elsewhere, fuel prices have gone up following adjustment by the Energy and Petroleum Regulatory Authority (EPRA) cutting across the three petroleum products as a consequence of the average landed cost. The adjustments come as commodity dealers warned Kenyans to get ready for higher fuel prices in the coming months following the weakening shilling against the US dollar and an anticipated increase in demand.

### Indicative Forex Rates

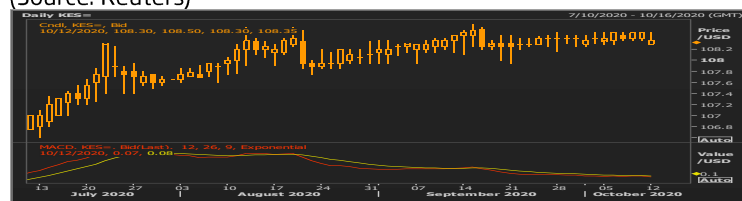
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	108.10	117.10	109.10	118.10
GBP/KES	144.78	154.78	145.28	156.26
EUR/KES	132.08	141.08	132.58	142.58
AED/KES	28.35	32.41	28.35	32.41

Money Market Rates	Current	Previous	Change
Interbank Rate	5.1317%	4.5205%	0.811
91-Day T-bill	6.901%	6.861%	0.040
182-Day T-Bill	7.363%	7.333%	0.030
364-Day T-Bill	8.246%	8.204%	0.042
Inflation	5.460%	4.840%	0.620
CBR RATE	7.000%	7.000%	0.000

Source: Central Bank of Kenya)

LIBOR Rates	USD	EUR	GBP
6 Months	0.24875	-0.57229	0.03488
12 months	0.33588	-0.53557	0.02463

(Source: Reuters)



(Source: Reuters)

### INTERNATIONAL NEWS

The dollar traded near 2-1/2-year lows against major peers on Tuesday as demand for the safest assets fell as negotiations for both the latest U.S. stimulus measures and a post-Brexit trade deal continue. Hopes were raised that a \$908 billion bipartisan COVID-19 relief bill will be passed.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched down 0.01% to 90.648.

The Federal Reserve leads a slew of central banks handing down policy decisions as it convenes later in the day and tomorrow.

The Euro slipped 0.1% to \$1.2150, trading near a 2 1/2-year low of \$1.2177 on upbeat China data released early Tuesday showing the economic recovery broadened in November and a light Eurozone data calendar today.

The British pound was little changed against the dollar at \$1.3340, after European Union Brexit negotiator Michel Barnier said that sealing a trade pact with Britain was still possible, sowing hope that a deal can be reached with just 17 days to go to avert a turbulent exit for the UK from the trade bloc at the end of the month.

Elsewhere, Brent fell 0.4% to \$50.09 per barrel, with demand worries due to tighter lockdowns in Europe outweighing relief from vaccination rollouts and concerns about a flare-up of tension in the Middle East.

### 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	1.2010	1.2280
GBP/USD	1.3240	1.3550
USD/AED	3.6630	3.6785
USD/JPY	103.50	107.70

For more details, contact our Treasury staff Jackline, Loryne, Evelyn and Benson on Tel +254 20 5131311, DL +254 20 513 1354/55/51, Cell +254 709913354/55/51. The views expressed here are not solicitation for investment but dealers' own opinion. The bank cannot be held responsible for any losses of whatever nature resulting from action taken based on comments contained in this publication. DIB Bank Kenya Ltd is regulated by the Central Bank of Kenya.