



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 16TH APRIL 2019

DOMESTIC NEWS

The Kenyan shilling held steady against the greenback on Monday, with robust dollar inflows from horticulture exports and offshore investors buying government debt helping to meet the surging dollar demand from the manufacturing and energy sectors. At close of business, the local currency stood at 100.90/101.10, unchanged from Friday's close.

We expect the shilling, which has gained almost 1% against the dollar on a year-to-date (YTD) basis, to remain relatively stable in the short term as improving dollar inflows from remittances and the country's main exports meet dollar demand from a cross section of importers amid the high levels of liquidity in the local money market.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.50	104.50	98.50	103.50
GBP/KES	128.20	136.20	128.70	135.70
EUR/KES	110.70	117.70	111.20	117.20
AED/KES	26.00	29.00	26.00	29.00

Money Market Rates	Current	Previous	Change
Interbank Rate	2.9231%	1.4831%	1.440
91-Day T-bill	7.397%	7.444%	-0.047
182-Day T-Bill	8.090%	8.189%	-0.099
364-Day T-Bill	9.371%	9.385%	-0.014
Inflation	4.35%	4.14%	0.210
CBR RATE	9.00%	9.50%	-0.500

(Source: Central Bank of Kenya)



(Source: Reuters)

INTERNATIONAL NEWS

The U.S. dollar was little changed against the euro and other major global currencies on Monday as investors focused on European manufacturing data due on Thursday for signs that growth in the region is improving. Improving European data would likely bolster risk appetite and send equities prices higher. That in turn could be negative for the greenback as investors chase higher-yielding opportunities elsewhere.

Investors are also focused on U.S.-China trade talks, with any deal between the two countries seen as likely to remove headwinds to global growth.

The dollar index against six major global currencies last stood unchanged at 96.90, while the euro held steady at \$1.1305.

The British pound was also steady at near \$1.31 on Monday, although trading was quiet without any significant Brexit-related developments. Volatility in the pound has collapsed since European Union leaders and the British government last week announced Brexit would be delayed for up to six months. That removed the immediate risk of a no-deal Brexit, but it also raised the possibility of months of uncertainty in Britain as politicians struggle over how - or whether - to leave the EU. On the day, the pound was steady at \$1.3090.

Meanwhile, oil prices halted their rally on Monday, with the international benchmark Brent down nearly 0.5%, after Russia's finance minister said Russia and OPEC may decide to boost production to fight for market share with the United States, where output remains at record highs. Brent crude futures ended the session at \$71.00 a barrel, down 40 cents.

Indicative Profit Rates on Deposits

	Amounts > 10 Million KES	Amounts >100,000 USD
	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	1.1255	1.1355
GBP/USD	1.3040	1.3140
USD/AED	3.6675	3.6785
USD/JPY	111.40	112.40

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