



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 16TH APRIL 2021

DOMESTIC NEWS

The Kenya shilling weakened a tad on Thursday but is forecast to remain relatively stable due to low importer dollar demand. A wave of dollar sell-offs is also expected in the coming days for tax obligations due next week which could further advance the strong shilling.

By close of the day, the local unit stood at 107.00/20, compared to the day's opening of 106.70/90.

Markets continue to monitor the pace of the covid-19 pandemic as the variants of the virus remain a concern. The uncertainty around the arrival of second doses puts the country in a very dicey situation. However, health officials said that they believe that India will lift export restrictions on COVID-19 vaccines as soon as possible.

Elsewhere, Kenya and the UK Joint Emergency Response Committee on Covid-19, held its first meeting yesterday to explore ways to resolve the ongoing travel restrictions between the two countries where they agreed on the importance of the bilateral relationship and of resolving the negative effects of the restrictions, particularly movement of people and goods.

Indicative Forex Rates

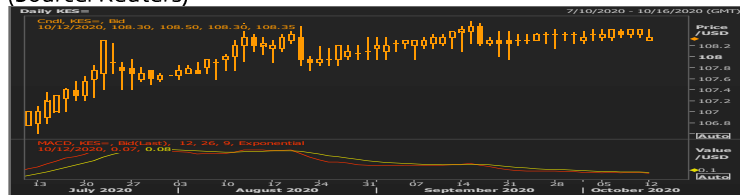
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	103.55	110.55	104.05	110.05
GBP/KES	143.34	151.34	143.84	150.84
EUR/KES	124.59	131.59	125.09	131.09
AED/KES	27.14	31.14	27.14	31.14

Money Market Rates	Current	Previous	Change
Interbank Rate	4.9593%	4.2773%	0.682
91-Day T-bill	7.108%	7.096%	0.012
182-Day T-Bill	7.938%	7.914%	0.024
364-Day T-Bill	9.403%	9.366%	0.037
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	0.21938	-0.52671	0.10875
12 months	0.28675	-0.50229	0.16163

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The dollar headed for a back-to-back drop amid a continued retreat in Treasury yields from more-than-one-year highs as investors increasingly bought into the Federal Reserve's insistence of continued monetary support in the face of yesterday's stronger-than-expected retail sales and employment data.

Bond and FX markets now seem willing to give the Fed the benefit of the doubt that inflation pressure will be transitory and monetary stimulus will remain in place for years to come. The benchmark 10-year Treasury yield dipped to a one-month low of 1.528% overnight, from as high as 1.776% at the end of last month.

The U.S. dollar index which measures the greenback against a trade-weighted basket of six major currencies fell by 0.08% to 91.60.

Euro changed hands at \$1.1965, set for a 0.5% weekly advance as Europe ramps-up its vaccination process despite registering 1-million deaths from the Covid-19 pandemic so far. Germany - the Eurozone's largest economy - continues to struggle with the third wave of Covid-19.

Sterling edged down 0.14% to \$1.3740 as Britain's relations with Ireland weigh slightly on the Pound. Trade between the UK and the Republic of Ireland, which had strong trade links pre-Brexit, have slumped this year.

Elsewhere, oil prices dipped with Brent at \$66.90 but were on track to record a weekly gain of more than 6% with an improved oil demand outlook and strong economic recoveries in China and the United States offsetting concerns about spikes in COVID-19 infections.

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	1.1850	1.2150
GBP/USD	1.3600	1.3900
USD/AED	3.6610	3.6865
USD/JPY	107.40	110.40

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