



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 20TH APRIL 2021

DOMESTIC NEWS

The Kenya shilling weakened on Monday on the back of an uptick in demand for dollars from importers.

By close of the day, the local unit stood at 107.90/108.10, compared to the day's opening of 107.50/70.

Uncertainties in the global market due to the ongoing coronavirus pandemic have already seen investors continue to prefer holding their investment in dollars.

However, the Central Bank of Kenya usable foreign exchange reserves remained adequate at USD 7,656 million (4.71 months of import cover) as at April 15. This meets the CBK's statutory requirement to endeavor to maintain at least 4 months of import cover, and the EAC region's convergence criteria of 4.5 months of import cover.

Elsewhere, International oil prices increased during the week on account of U.S crude oil inventory draw down and higher demand outlook. Murban oil price (Kenya's benchmark) increased to \$64.78 per barrel on April 15 from \$61.68 per barrel on April 08.

Indicative Forex Rates

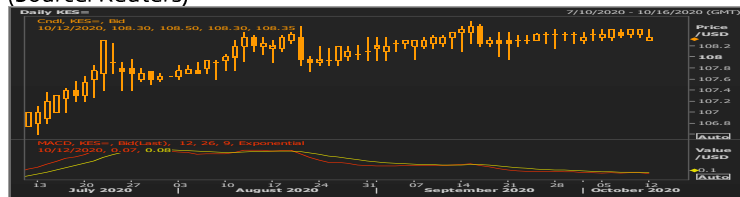
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	104.45	111.45	104.95	110.95
GBP/KES	147.10	155.10	147.60	154.60
EUR/KES	126.69	133.69	127.19	133.19
AED/KES	27.39	31.39	27.39	31.39

Money Market Rates	Current	Previous	Change
Interbank Rate	5.406%	5.547%	0.141
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	0.22363	-0.52543	0.10975
12 months	0.29238	-0.49786	0.15750

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The dollar was down in early trade but remaining near a six-week low as the Euro climbed on the back of a rallying COVID-19 vaccine rollout. The greenback's fall reverses the events of the first three months of 2021 when the dollar gained on the back of rising U.S. Treasuries yields. At that time, markets bet that massive fiscal stimulus in the United States would spur faster inflation, leading to an earlier exit from the Federal Reserve's monetary easing programme.

However, repeated assurances from Fed policymakers that near-term price pressures will be transitory seem to have soothed markets.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies edged down 0.14% to 90.927.

Pound inched up 0.10% to \$1.4005 amid expectations that Britain's economy will continue to recover from the coronavirus pandemic in the coming months. The climb comes ahead of week of data that will give markets a good sense of how the UK economy's recovery from the pandemic is coming along.

Euro rose to \$1.2060 after the European Union announced that it has secured an additional 100 million doses of COVID-19 vaccine by BioNTech and Pfizer. Expectations of a faster Eurozone's economic recovery amid the vaccine optimism is reflective of the rise in the German bund yields, offering additional support to the single currency.

Elsewhere, oil prices rose 0.8% with Brent at \$67.69 a barrel as a weaker U.S. dollar supported commodities and on expectations that crude inventories fell in the United States, the world's biggest oil user, though rising coronavirus cases in Asia capped gains.

Source: Reuters

Indicative Profit Rates on Deposits

	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

	Indicative Cross Rates	
	Bid	Offer
EUR/USD	1.1915	1.2215
GBP/USD	1.3850	1.4250
USD/AED	3.6610	3.6865
USD/JPY	107.00	110.00

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