



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

## TREASURY MARKET UPDATE 24TH DECEMBER 2021

### DOMESTIC NEWS

Kenya's shilling was stable on Thursday, trading in a quiet market ahead of the festive season.

Commercial banks quoted the shilling at 112.95/113.15 to the dollar, the same level as previous day's close.

In other news in the industry Multiple bank executives have protested to the International Monetary Fund (IMF) over the Central Bank of Kenya's (CBK) reluctance to approve lenders' applications to raise the cost of loans following the scrapping of lending rate controls on November 7, 2019.

The Treasury will offer Kenya Airways a further Sh146.9 billion bailout amid delayed recovery from a travel slump following Covid-19 in financial support that will see the State drop the plan to nationalize the airline.

Elsewhere Kenyan billionaires have lost in the race to lease Mumias Sugar after KCB Bank-appointed receiver-manager tapped Uganda-based conglomerate Sarrai Group to run the ailing miller for 20 years.

### Indicative Forex Rates

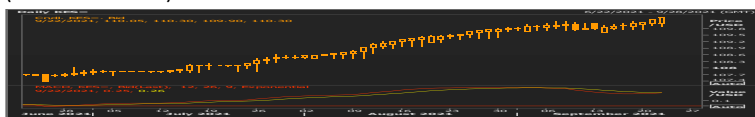
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	109.65	116.65	111.15	116.15
GBP/KES	147.68	155.68	147.38	156.08
EUR/KES	123.83	131.73	124.63	132.13
AED/KES	29.31	32.31	28.81	32.81

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.650%	5.570%	0.080
91-Day T-bill		7.265%	7.280%	-0.015
182-Day T-Bill		7.977%	7.984%	-0.013
364-Day T-Bill		9.164%	9.091%	0.173
Inflation		5.800%	6.450%	-0.650
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	EUR	GBP
6 Months	0.32638	-0.56129	0.44863
12 months	0.55338	-0.49114	0.80750

(Source: Reuters)



(Source: Reuters)

### INTERNATIONAL NEWS

The dollar edged lower against a basket of currencies on Thursday, as easing fears of fallout from the Omicron coronavirus variant supported higher-risk currencies such as the Australian dollar and British pound.

Ahead of the holidays and extended long weekend in the United States, most major currency pairs clung to narrow ranges.

The dollar index, which measures the greenback against six major peers, was down 0.08% at 96.031. The index remains close to the 16-month high it hit late last month.

Sterling vaulted above \$1.34 for the first time in a month on Thursday and also scaled a one-month high against the euro, surfing a general uptick in risk sentiment and a steep rise in Britain's short-dated government bond yields.

UK businesses posted the weakest quarterly growth since the three months to April when lockdowns were in effect, the Confederation of British Industry (CBI) said.

But that was offset by an announcement from AstraZeneca that a three-dose course of COVID-19 vaccine was effective against Omicron. Rivals Pfizer-BioNTech and Moderna, also say a third shot of their vaccines works against Omicron

The South African rand strengthened against the dollar in thin trade on Thursday, as investors continued to buy riskier assets on expectations that the Omicron variant's impact on the global economy would be less severe than previously feared.

### Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000
	KES		USD
2 Weeks	6.00%	0.25%	
1 Month	6.25%	0.50%	
3 Months	6.50%	0.75%	
6 Months	6.75%	1.00%	
1 year	7.00%	1.25%	

### Indicative Cross Rates

	Bid	Offer
EUR/USD	1.1122	1.1473
GBP/USD	1.3135	1.3651
USD/AED	3.6655	3.6899
USD/JPY	108.35	116.79

For more details, contact our Treasury staff Mary, Bernard, Loryne Evelyn on Tel +254 20 5131311, DL +254 20 513 1354/55/51, Cell +254 709913351/54/55. 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.