



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 27TH JULY 2019

DOMESTIC NEWS

The home unit seesawed between gains and losses in early trading as demand and supply forces battled to take forefront. A slight uptick in dollar demand propelled the USD/KES pair to march north, forcing the local unit to close the day marginally weaker. By close of trade, the local currency stood at 103.75/95, as compared to Thursday's close of 103.70/90.

In the new week, markets will be focused on flows to determine the direction of the USD/KES pair, with our view inclined to the shilling being under pressure amid limited foreign currency inflows coupled with end-month demand from manufacturers and importers. That said, the current trading ranges continue to be mainly flow driven with fundamentals taking a back seat in the interim. In other news, the monetary authority mopped up KES 10 billion in excess liquidity at a weighted average rate of 4.566% in the 7-day repo.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	100.35	107.35	101.35	106.35
GBP/KES	124.40	132.40	124.90	131.90
EUR/KES	112.05	119.05	112.60	118.60
AED/KES	26.75	29.75	26.75	29.75

Money Market Rates	Current	Previous	Change
Interbank Rate	2.606%	2.661%	0.055
91-Day T-bill	6.592%	6.498%	0.094
182-Day T-Bill	7.365%	7.358%	0.004
364-Day T-Bill	8.988%	8.785%	0.203
Inflation	5.700%	5.490%	0.210
CBR RATE	9.00%	9.00%	0.000

(Source; Central Bank of Kenya)

