



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 30TH APRIL 2019

DOMESTIC NEWS

The Kenyan shilling firmed further against the U.S. dollar in active trading on Monday, as rising dollar inflows from horticulture exports and diaspora remittances outweighed end month dollar demand from a cross section of importers. By close of business, the local unit had gained 10 cents to the dollar to close at 101.25/45, compared to Friday's close of 101.35/45.

We expect the shilling, which has gained 0.5% against the greenback on a year-to-date (YTD) basis, to remain relatively stable and trade in the 100.70/101.70 range in the short term as improving inflows from remittances and horticulture exports meet increasing end month dollar demand from importers.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.85	104.85	98.85	103.85
GBP/KES	127.15	135.15	127.65	134.65
EUR/KES	109.90	116.90	110.40	116.40
AED/KES	26.10	29.10	26.10	29.10

Money Market Rates	Current	Previous	Change
Interbank Rate	5.9051%	5.6881%	0.217
91-Day T-bill	7.298%	7.305%	-0.007
182-Day T-Bill	8.006%	8.042%	-0.036
364-Day T-Bill	9.315%	9.354%	-0.039
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 fell against a basket of currencies on Monday, slipping further from a 23-month high as traders await more data to convince them whether to add to their bullish positions in the greenback. In late U.S. trading, the dollar index that tracks the greenback against the euro, yen, sterling and three other currencies was down 0.15% at 97.80. Last week, it reached 98.35, the highest since May 2017.

Markets await clues on the Fed's global economic outlook as the central bank's policymaking board meets on Tuesday and Wednesday. Analysts do not anticipate any major changes from Fed officials who signaled last month they would not raise interest rates in 2019.

The euro was 0.25% higher against the weaker greenback to settle at \$1.1190 ahead of euro zone economic growth data later in the week, which is forecast to show a modest rise of 0.3% in the first quarter.

Meanwhile, the sterling pound held relatively stable against the dollar at \$1.2940 but was little changed against other major currencies before a central bank policy meeting this week. Markets expect the Bank of England to hold interest rates steady in this week's meeting and do not expect the central bank to raise interest rates until early 2020.

Elsewhere, global oil prices edged higher on Monday, as the market attempted to resume a weeks-long rally that was halted on Friday when U.S. President Donald Trump demanded that producer club OPEC raise output to soften the impact of U.S. sanctions against Iran. Brent crude futures were up 0.05% to settle at \$71.80 a barrel.

Indicative Profit Rates on Deposits

	Indicative Profit Rates on Deposits	
	Amounts > 10 Million KES	Amounts >100,000 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	1.1140	1.1240
GBP/USD	1.2890	1.2990
USD/AED	3.6675	3.6785
USD/JPY	111.00	112.00

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