



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 30TH APRIL 2021

DOMESTIC NEWS

The Kenya shilling was stable on Thursday, mostly due to muted dollar demand from importers and is expected to be range-bound, depending on the level of demand for dollars from importers, especially on the energy side as companies meet their end-of-month obligations. The foreign exchange reserves at the apex Bank remains sufficient to provide a buffer against extreme depreciation.

By close of the day, the local unit stood at 107.75/95, same as the day's opening.

The African Union Disease Control Agency has warned that the raging state of the COVID-19 pandemic in India is a wake-up call for Africa that its governments and citizens must not let their guards down.

Elsewhere, the Institute of Public Finance (IPF) Kenya has urged National Treasury to freeze all new public projects and reschedule public debt repayments. This to free more money to finance development and recurrent expenditures. The policy think tank warns of a dire financial crisis if urgent economic and fiscal management recovery strategies are not put in place.

Indicative Forex Rates

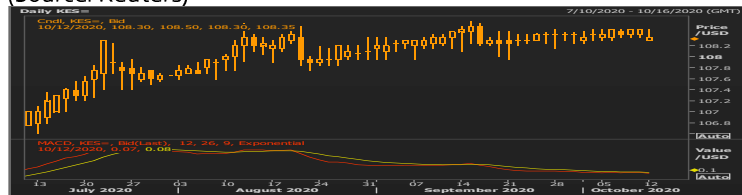
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	104.30	113.30	104.80	110.80
GBP/KES	146.26	154.26	146.76	153.76
EUR/KES	127.12	134.12	127.62	133.62
AED/KES	27.35	31.35	27.35	31.35

Money Market Rates	Current	Previous	Change
Interbank Rate	5.3678%	5.3216%	0.046
91-Day T-bill	7.139%	7.115%	0.024
182-Day T-Bill	7.989%	7.925%	0.064
364-Day T-Bill	9.474%	9.460%	0.014
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	0.20600	-0.52457	0.11300
12 months	0.28375	-0.49200	0.16375

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The dollar was up in early trade but was set for a fourth consecutive week of losses, as the U.S. Federal Reserve stuck to its dovish monetary policy of ultra-low interest rates for longer.

Investors are still digesting the Fed's latest policy decision. Although Fed Chairman Jerome Powell acknowledged the U.S. economy's growth, he added that there was not yet enough evidence of "substantial further progress" toward recovery to justify a change in policy.

U.S. GDP rose 6.4% quarter-on-quarter in the first quarter of 2021 and 553,000 initial jobless claims were filed over the past week.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched up 0.03% to 90.618.

Euro was largely flat at \$1.2120, near the two-month high of \$1.2150 set the previous session. The shared currency is up 0.2% for the week and 3.3% for the month.

Pound inched up 0.08% to \$1.3945 supported by the easing of Covid-19 restrictions that has bolstered the UK's recovery, but the Scottish elections on May 6 could lead to a referendum on independence that could spark a wobble in the Sterling.

Elsewhere, Oil was down 0.56% with Brent at \$67.67 per barrel, but still headed towards a weekly gain as signs of strengthening U.S. and China demand raised fuel demand hopes. Major cities in the U.S. are moving towards a full re-open, with New York City aiming to do so in July 2021. However, the COVID-19 shadow has not completely lifted, as countries such as India, the world's third-largest oil importer, and Brazil continue to see a record number of cases.

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	1.2000	1.2300
GBP/USD	1.3810	1.4110
USD/AED	3.6610	3.6865
USD/JPY	107.50	110.50

For more details, contact our Treasury staff Jackline, Loryne, Evelyn and Benson on Tel +254 20 5131311, DL +254 20 513 1354/55/51, Cell +254 709913354/55/51. 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.