



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 30th NOVEMBER 2021

DOMESTIC NEWS

The Kenyan shilling was little changed on Monday but touched a new all-time low and was forecast to weaken due to increased general importer dollar demand that outstripped inflows.

Banks quoted the shilling at 112.45/65, compared with Friday's close of 112.40/60 Monday's level is a new all-time low, according to data from refinitiv.

In other news Central bank of Kenya held its monetary policy committee meeting of 2021 yesterday leaving the base lending rate at 7% for the 11th time in a row.

The decision has spared the consumers any increases on the cost of loans this year after the bank regulator send its signal to banks to hold interest rates steady.

The Monetary Policy Committee said it held the key rate in its last meeting of 2021 in an environment where inflation expectations were within the target band of 2.5 and 7.5 percent and the economy was on the road to recovery following initial disruption brought about by the Covid-19 pandemic.

(Source Business daily)

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	109.05	116.05	110.55	115.55
GBP/KES	145.90	153.90	145.60	154.30
EUR/KES	122.74	130.64	123.54	131.04
AED/KES	29.14	32.14	28.64	32.64

Money Market Rates	Current	Previous	Change
Interbank Rate	5.250%	5.300%	0.090
91-Day T-bill	7.181%	7.114%	0.067
182-Day T-Bill	7.835%	7.747%	0.088
364-Day T-Bill	8.944%	8.840%	0.104
Inflation	6.450%	6.950%	-0.500
CBR RATE	7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	EUR	GBP
6 Months	0.24600	-0.55200	0.27325
12 months	0.41038	-0.49971	0.63400

(Source: Reuters)



(Source: Reuters)

INTERNATIONAL NEWS

The greenback stabilized on Monday while the safe-haven yen and Swiss franc weakened, reversing some of the moves made on Friday as governments around the world sought further information on the most recent mutation and its impact.

The Omicron variant was first detected in southern Africa and prompted a financial markets sell-off on Friday on fears it would further disrupt a growing economic recovery after the two-year pandemic.

Sterling dived back towards a 11-month low on Monday as investors weighed the discovery of the Omicron coronavirus variant on the outlook for the British economy.

While British health authorities have yet to announce any major increase in COVID restrictions, traders have quietly whittled away at the odds of the Bank of England raising interest rates later this month.

Gold prices eased on Monday, resuming a broad decline from the previous week, as the dollar firmed, and risk sentiment recovered with markets weighing how severe the economic impact would be from the Omicron coronavirus variant.

Oil prices climbed on Tuesday, extending a rebound from last week's plunge on growing expectations major producers would pause plans to add crude supply in January amid uncertainty over the severity of the Omicron coronavirus variant.

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	1.1126		1.1464
GBP/USD	1.3136		1.3646	
USD/AED	3.6653		3.6894	
USD/JPY	108.33		116.74	

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.