



DIB Bank Kenya
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TREASURY MARKET UPDATE 6TH JUNE 2019

DOMESTIC NEWS

The Kenyan shilling weakened against the dollar on Tuesday due to increased liquidity in the money markets amid scant inflows from diaspora remittances.

Kenya's Monetary Policy Committee will hold its next rate-setting meeting on July 24th, 2019. At its last meeting in May, the central bank left its benchmark lending rate unchanged at 9.0% and said it would keep an eye on recent food and fuel price rises that could fuel inflation.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.85	104.85	98.85	103.85
GBP/KES	124.61	132.61	125.11	132.11
EUR/KES	110.34	117.34	110.84	116.84
AED/KES	26.09	29.09	26.09	29.09

Money Market Rates	Current	Previous	Change
Interbank Rate	3.894%	3.768%	-0.126
91-Day T-bill	6.995%	7.085%	-0.090
182-Day T-Bill	7.651%	7.738%	-0.087
364-Day T-Bill	9.311%	9.311%	0.000
Inflation	5.490%	6.580%	-1.090
CBR RATE	9.00%	9.00%	0.000

(Source: Central Bank of Kenya)



(Source: Reuters)

INTERNATIONAL NEWS

In a move that could deepen Washington's trade conflict with its partners, U.S. President Donald Trump unexpectedly told Mexico last week to take a harder line on curbing illegal immigration or face 5% tariffs on all its exports to the United States. Mexican officials met with their U.S. counterparts for negotiations in Washington on Wednesday aimed at averting U.S. tariffs on Mexican goods next week, although there were no immediate signs of a rapprochement.

Meanwhile, the GBP/USD pair inched up 0.1% to 1.2687. U.K. Prime Minister Theresa May will step down as leader of the Conservative Party on Friday. Traders now await signals of future monetary policy action by the Bank of England (BOE) Governor Mark Carney when he speaks at the Institute of International Finance Spring Meeting, in Tokyo today.

The euro traded 0.1% higher to 1.1230. The European Central Bank will make its monetary policy decision later Thursday. Mario Draghi, President of the central bank, is expected to maintain guidance about the possibility of more stimulus.

Elsewhere, the Japanese Yen edged up versus the dollar to 108.22 on Thursday as sentiment soured over U.S.-Mexico talks on tariffs and immigration, fueling broader concerns about global trade hostilities and raising appetite for safe-haven currencies.

Oil prices flatlined to \$60.71, after diving overnight when the Energy Information Administration (EIA) reported the largest build in crude oil and oil product inventories since 1990, hitting its lowest levels since mid-January.

Indicative Profit Rates on Deposits

Amounts > 10 Million		Amounts >100,000
KES		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	1.1150	1.1280
GBP/USD	1.2550	1.2720
USD/AED	3.6675	3.6775
USD/JPY	107.90	110.10

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