



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 7TH JUNE 2019

DOMESTIC NEWS

The Kenyan shilling strengthened slightly against the dollar on Thursday due to investor inflows buying local government securities. At the close of trade, the local unit was quoted at 101.20/40, as compared to the previous day's close of 101.25/45.

The Kenyan President Uhuru Kenyatta has renewed Central Bank Governor Patrick Njoroge's term. Njoroge was first appointed to his post in June 2015 for a four-year term, which is renewable once. Elsewhere, overnight interbank rates were relatively stable as liquidity conditions somewhat improved.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.80	104.80	98.80	103.80
GBP/KES	124.61	132.61	125.11	132.11
EUR/KES	110.63	117.63	110.13	117.13
AED/KES	26.08	29.08	26.08	29.08

Money Market Rates	Current	Previous	Change
Interbank Rate	3.894%	3.768%	-0.126
91-Day T-bill	6.915%	6.995%	-0.080
182-Day T-Bill	7.606%	7.651%	-0.045
364-Day T-Bill	9.299%	9.311%	-0.012
Inflation	5.490%	6.580%	-1.090
CBR RATE	9.00%	9.00%	0.000

(Source: Central Bank of Kenya)



(Source: Reuters)

INTERNATIONAL NEWS

US President Donald Trump plans to declare a new national emergency to implement sweeping tariffs on Mexico over the flow of Central American migrants to the US, according to a draft document of the declaration reviewed by The Hill. With the trade war drums beating loudly in the background, a strong employment report from the Labor Department on Friday will probably do little to dial back market expectations that the Federal Reserve will cut interest rates this year.

Meanwhile, the GBP/USD pair remained on sidelines ahead of the US employment statistics. The Cable clings to 1.2700 ahead of the London open on Friday. Having witnessed the unexpected rise of the Brexit party during the EU election results, today's by-election of Peterborough emphasized the seven-week-old party to maintain the lead.

The euro is currently trading at 1.1270. The European Central Bank (ECB) on Thursday refrained from hinting at an interest rate cut and pushed back the timing of the lift off. It also opened doors to buying more bonds or cut rates if required.

Elsewhere, the Japanese Yen pair's upside as it trades near 108.48 during early Friday. Investors are likely awaiting the result of today's U.S.-Mexico talks on migration and tariffs and the US employment report.

Oil prices rose around 1% to \$62.17 on Friday to move further away from five-month lows hit earlier in the week, buoyed by a report that Washington could postpone trade tariffs on Mexico and signs that OPEC and other producers may extend crude supply cuts.

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	1.1160	1.1270
GBP/USD	1.2600	1.2740
USD/AED	3.6675	3.6775
USD/JPY	107.60	110.20

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