



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 8TH APRIL 2019

DOMESTIC NEWS

The Kenyan shilling gained marginally against the U.S. dollar on Friday, propped up by diaspora remittances and foreign investors' inflows amid thin dollar demand from oil and merchandise importers. At close of business, the local currency traded 5 cents firmer at 100.55/75, compared to the opening level of 100.60/80.

We expect the shilling, which has appreciated 1.2% against the dollar on a year-to-date (YTD) basis, to remain relatively stable and trade in the 100.00/101.00 range in the short term, supported by improving diaspora remittances, inflows from the country's main exports and foreign investors buying stock and government debt amid reduced dollar demand from importers.

Indicative Forex rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	97.15	104.15	98.15	103.15
GBP/KES	127.50	135.50	128.00	135.00
EUR/KES	109.55	116.55	110.05	116.05
AED/KES	25.90	25.90	25.90	25.90

Money Market Rates	Current	Previous	Change
Interbank Rate	1.8404%	3.5560%	-1.716
91-Day T-bill	7.444%	7.500%	-0.056
182-Day T-Bill	8.189%	8.204%	-0.015
364-Day T-Bill	9.385%	9.408%	-0.023
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 dollar rose modestly against major global currencies on Friday, after a jobs report for March showed that U.S. job gains were better than expected during the month while wage pressures were muted. Non-farm payrolls rose by 196,000 jobs last month. Data for February was revised modestly up to show payrolls rising by 33,000 jobs instead of the previously reported 20,000. February job gains were the smallest since September 2017.

Reaction in the dollar was relatively muted, and the greenback initially fell before moving into positive territory. The dollar index was last up 0.10% on the day at 97.30. Investors are now focused on data for further clues about Federal Reserve policy after the U.S. central bank stunned markets in March by abandoning projections for any interest rate hikes this year.

The euro was flat at \$1.1225 after falling against the dollar on Thursday as weak German economic data prompted fears about weakening growth in the region.

Meanwhile, the sterling pound weakened marginally on Friday as doubts swirled over British PM Theresa May's attempt to further delay Brexit. May wrote to Brussels asking to delay Britain's EU departure until June 30 to allow lawmakers to agree a withdrawal deal. But France and the Netherlands expressed doubt about the plan and that, combined with lingering fears of a no-deal Brexit, sent the pound 0.2% lower at \$1.3070.

Elsewhere, oil prices rose to their highest levels since Nov. 2018 in early trading on Monday, driven up by OPEC's ongoing supply cuts and U.S. sanctions against Iran and Venezuela. Brent futures were last at \$70.70 per barrel, up more than 2% from their last close. Brent prices have increased more than 30% year-to-date.

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	1.1175	1.1275
GBP/USD	1.3020	1.3120
USD/AED	3.6675	3.6785
USD/JPY	110.85	111.85

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