



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 14TH SEPTEMBER 2022

DOMESTIC NEWS

The Kenya shilling was stable in thin trade on Monday and its next move may depend on who will make up the next cabinet following President Ruto's swearing in. Commercial banks quoted the shillings at 120.30/50 per dollar same as Friday's close.

In other news, the Energy and Petroleum Regulatory Authority (EPRA) is reviewing the compensation formula for oil marketers in what could prompt an increase in fuel prices if new costs are included in the pricing regime. EPRA says it has started a cost-of-service study that will guide compensation for all costs that sellers incur, aimed at cushioning marketers by ensuring that they are paid for any emerging costs incurred in the entire supply chain of refined fuel.

(Business daily)

Indicative Forex Rates

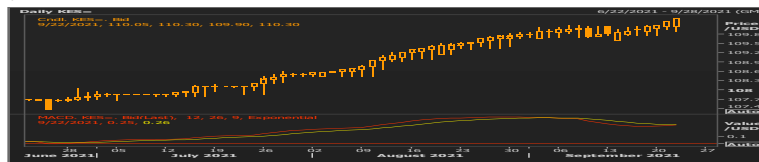
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.00	127.50	116.50	127.00
GBP/KES	134.91	154.41	134.11	148.91
EUR/KES	115.52	141.42	116.59	134.42
AED/KES	28.81	38.81	30.81	38.31

Money Market Rates	Current	Previous	Change
Interbank Rate	4.020%	4.160%	-0.140
91-Day T-bill	8.910%	8.860%	0.050
182-Day T-Bill	9.599%	9.576%	0.023
364-Day T-Bill	9.915%	9.876%	0.039
Inflation	8.530%	8.320%	0.210
CBR RATE	7.500%	7.500%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	3.75214	0.04330	3.39920
12 months	4.18886	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The U.S. dollar edged lower in early European trade Tuesday ahead of the release of the hotly anticipated U.S. inflation data, which is likely to set the tone ahead of next week's Federal Reserve meeting.

At 03:05 ET (07:05 GMT), the Dollar Index, which tracks the greenback against a basket of six other currencies, traded 0.3% lower to 107.803, continuing its pullback from the 20-year high of 110.79 seen last week.

All eyes Tuesday will be on the release of the August U.S. consumer price index at 08:30 ET (12:30 GMT), which will be the last significant guide of the country's inflationary pressures ahead of next week's Fed policy-setting meeting.

Elsewhere, EUR/USD rose 0.2% to 1.0139, with the euro continuing to benefit from last week's jumbo rate hike by the European Central Bank and the associated hawkish comments by a number of officials, including the influential Deutsche Bundesbank President Joachim Nagel, pointing to further rate increases this year.

Oil prices inched lower on Wednesday on concerns of another U.S. Federal Reserve interest rate hike next week after consumer prices unexpectedly rose in August, outweighing support from a robust OPEC oil demand growth forecast.

Brent crude futures fell 38 cents, or 0.4%, to \$92.79 a barrel by 0407 GMT. U.S. West Texas Intermediate crude was at \$87.02 a barrel, down 29 cents, or 0.3%.

Gold prices held just above the \$1,700 mark on Wednesday, remaining under pressure after stronger-than-expected U.S. inflation data pointed to more dollar strength in the coming weeks.

Spot gold was steady around \$1,701.87 an ounce, while December gold futures fell 0.3% to \$1,712.25 an ounce by 19:21 ET (23:21 GMT).

Indicative Profit Rates on Deposits

	Amounts > 10 million	
	KES	USD
2 Weeks	6.00%	0.35%
1 Month	6.55%	0.55%
3 Months	7.00%	0.80%
6 Months	7.50%	1.25%
1 year	8.00%	1.75%

Indicative Cross Rates

	Bid	Offer
EUR/USD	0.9783	1.0275
GBP/USD	1.1325	1.1705
USD/AED	3.6530	3.6944
USD/JPY	141.15	145.85

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.