



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 15TH MARCH 2022

DOMESTIC NEWS

The Kenyan shilling dipped to a fresh low on Monday, weighed on by demand for hard currency from the energy sector and companies preparing to pay 2021 dividends to their offshore shareholders.

Commercial banks quoted the shilling at 114.15/35 compared with Fridays closing rate of 114.10/30. The local currency is expected to remain pressured in the short term.

In the commodities news locally the weekly Mombasa Tea Auction held on 7th, 8th, and 9th March 2022 had 13.3 million kilograms of tea offered for sale. The amount on offer increased from 12.7 million kilograms during the previous sale, and from 12.1 million kilograms during a similar period last year. Of all the tea offered for sale, 10.7 million kilograms were sold compared to 11.1 million kilograms sold during the previous sale, and 11 million kilograms sold during the same period last year.

Indicative Forex Rates

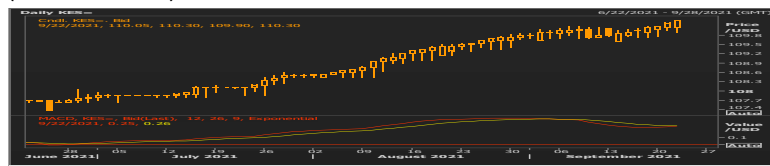
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.75	117.75	112.25	117.25
GBP/KES	145.01	153.04	144.71	153.41
EUR/KES	121.09	128.99	121.89	129.39
AED/KES	29.60	32.60	29.10	33.10

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.350%	4.480%	-0.130
91-Day T-bill		7.206%	7.265%	-0.059
182-Day T-Bill		8.032%	8.063%	-0.031
364-Day T-Bill		9.771%	9.774%	-0.003
Inflation		5.080%	5.390%	-0.310
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	1.13057	0.04083	1.48640
12 months	1.59600	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar was down on Tuesday morning in Asia, alongside the Japanese yen and the Australian dollar. The latest COVID-19 outbreak in China saw lockdowns in some cities, but the focus is firmly on the U.S. Federal Reserve's March policy decision.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched down 0.08% to 98.948 by 11:07 PM ET (3:07 AM GMT).

The yen remains under pressure (at 118.37 per dollar) while the Australian dollar was bruised by the latest China's lockdowns following new COVID-19 outbreaks, but moves were more muted than in recent days as trader's eyes turned to this week's Fed meeting. The U.S. Federal Reserve is set to raise rates for the first time since the pandemic at its meeting which concludes Wednesday, with traders looking for indications about the pace of future rate hikes. Markets anticipate a 25-basis point rise at this meeting

In the commodities market, Oil prices extended losses on Tuesday, sliding to a two-week low as ceasefire talks between Russia and Ukraine eased fears of further supply disruptions and surging COVID-19 cases in China fueled concerns about slower demand.

Brent futures dropped \$4.74, or 4.4%, to \$102.16 a barrel by 0445 GMT after tumbling by more than \$6 to \$100.05 earlier in the session. U.S. West Texas Intermediate (WTI) crude fell below \$100 level for the first time since March 1, dropping \$4.58, or 4.2%, to \$98.43 a barrel. It fell to as low as \$96.70 earlier in the session.

Both benchmarks declined by more than 5% the previous day, with Brent sliding 5.1% and WTI skidding 5.8%.

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	1.0573	1.1360
GBP/USD	1.3123	1.3949
USD/AED	3.6433	3.6325
USD/JPY	111.21	117.75

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.