



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 16TH MARCH 2022

DOMESTIC NEWS

The Kenyan shilling was stable on Tuesday, drawing some support from hard currency inflows from exports of agricultural commodities.

Commercial banks quoted the shilling at 114.15/35 same levels as Mondays close.

In other news in the local markets the National Treasury has opened a tap sale for its undersubscribed March bond, targeting to raise an additional Sh31.5 billion from the paper.

Three reopened bonds – a five-year, 15-year and 25-year paper – sought to raise a total of Sh50 billion but attracted bids of Sh40.9 billion.

The Central Bank of Kenya (CBK) took up Sh18.45 billion, rejecting bids worth Sh22.5 billion largely on account of investors seeking high interest rates.

Indicative Forex Rates

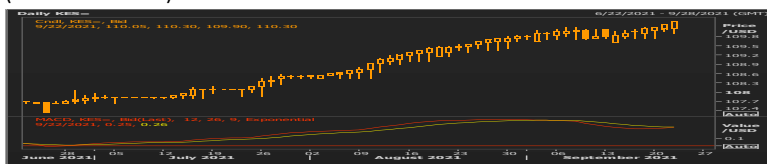
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.80	117.80	112.30	117.30
GBP/KES	145.15	153.15	144.85	153.55
EUR/KES	120.93	128.83	121.73	129.23
AED/KES	29.62	32.62	29.12	33.12

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.280%	4.350%	-0.070
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	1.17500	0.04083	1.52090
12 months	1.65686	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar was down on Wednesday morning in Asia but was near a five-year high against the yen. Investors await the U.S. Federal Reserve's latest policy decision, with the conflict in Ukraine and the surging number of COVID-19 cases in China also on their radars.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies was down 0.21% to 98.860 by 11:38 PM ET (3:38 AM GMT).

The USD/JPY pair inched down 0.01% to 118.27, the strongest level since January 2017. Japanese trade data released earlier in the day showed that exports grew 19.1% year-on-year and imports grew 34% year-on-year in February 2022. The trade balance was –JPY668.3 billion (\$5.65 billion) and the adjusted trade balance was –JPY1.03 trillion.

In the commodities market, Oil prices rose over \$1 on Wednesday, bouncing back after earlier declines, as Russia's invasion of Ukraine continues to stoke volatile trading with ceasefire talks the latest market trigger.

Brent futures were up 97 cents, or 1%, at \$100.88 a barrel at 0503 GMT.

U.S. West Texas Intermediate (WTI) crude rose 45 cents, or 0.5%, at \$96.89 a barrel. Both contracts had earlier declined more than \$1 a barrel, with Brent falling to \$98.86 a barrel and WTI easing to \$94.90 a barrel earlier in the session.

Gold was down on Wednesday morning in Asia, holding near a two-week low. Investors stayed away from big bets as they await the U.S. Federal Reserve's latest policy decision.

Gold futures fell 0.59% to \$1,918.30 by 1:04 PM ET (5:04 AM GMT). The yellow metal remained little changed after hitting its lowest since Mar. 1, or \$1,906, during the previous session.

Indicative Profit Rates on Deposits

	Amounts > 10 million	
	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	1.0572	1.1363
GBP/USD	1.3124	1.3950
USD/AED	3.6435	3.6327
USD/JPY	111.23	117.77

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.