



**DIB Bank Kenya**  
A subsidiary of Dubai Islamic Bank PJSC

## TREASURY MARKET UPDATE 16TH SEPTEMBER 2022

### DOMESTIC NEWS

The Kenya shilling was flat but with limited pressure due to dollar demands from individuals, small & medium enterprises and corporates.

Commercial banks quoted the shillings at 120.40/60 per dollar same as Wednesday close.

In other news, The Treasury's borrowing struggles in the domestic market continued in this month's bond sale, which fell Sh11 billion short of target as the Central Bank of Kenya continued to spurn expensive bids from investors.

Banks have also been wary of taking on new bonds due to valuation losses on their holdings when secondary market yields are going up. Bond prices or valuations fall when yields rise.

This month's bond sale, a two-tranche reopening of 10 and 15-year papers first sold earlier this year, had sought to raise Sh50 billion, but only raised Sh39 billion.

(Business daily)

### Indicative Forex Rates

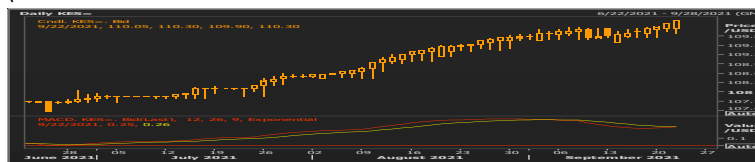
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.00	127.50	116.50	127.00
GBP/KES	133.89	153.39	133.09	147.89
EUR/KES	115.37	141.27	115.67	134.27
AED/KES	28.81	38.81	30.81	38.31

Money Rates	Market	Current	Previous	Change
Interbank Rate		3.990%	3.980%	0.010
91-Day T-bill		8.950%	8.910%	0.040
182-Day T-Bill		9.615%	9.599%	0.016
364-Day T-Bill		9.913%	9.915%	0.002
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	4.01014	0.04699	3.50390
12 months	4.53214	-	-

(Source: Reuters



### INTERNATIONAL NEWS

The U.S. dollar pushed higher in early European trade Thursday, with buyers returning ahead of next week's Federal Reserve meeting, while the yen struggled to hold the previous session's gains.

At 02:50 ET (06:50 GMT), the Dollar Index, which tracks the greenback against a basket of six other currencies, traded 0.2% higher to 109.593, not far removed from its two-decade peak of 110.79.

Elsewhere in Europe, EUR/USD dropped 0.2% to 0.9960, trading below parity despite the European Central Bank's historic 75 basis-point hike last week While the GBP/USD fell 0.2% to 1.1513, with the Bank of England meeting originally scheduled for later this session postponed until next week after the death of Queen Elizabeth II.

In the commodities market, Oil prices edged higher on Friday but were on track for a weekly decline amid fears of sharp interest rate hikes that would slam global growth and hit fuel demand.

Brent crude futures were up 24 cents, or 0.3%, to \$91.08 a barrel as at 0315 GMT, but were down 1.9% for the week so far.

U.S. West Texas Intermediate (WTI) crude futures gained 10 cents, or 0.1%, to \$85.20 a barrel, but were also down 1.9% on a weekly basis.

Gold and Copper prices moved little on Friday and were set for steep weekly losses as growing expectations of more sharp interest rate hikes by the Federal Reserve boosted the dollar and dented metal markets.

Spot gold prices were unchanged around \$1,664.31 an ounce, while gold futures fell 0.3% to \$1,673.15 an ounce by 20:21 ET (00:21 GMT). Both instruments plummeted around 2% on Thursday and were set to lose about 3% for the week, their worst performance in over two months.

### Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000
	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	0.9757	1.0269
GBP/USD	1.1310	1.1703
USD/AED	3.6530	3.6944
USD/JPY	141.19	145.89

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.