



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 19TH SEPTEMBER 2022

DOMESTIC NEWS

The Kenya shilling was flat on Friday but showed pressure to weaken further due to pressure from dollar demands from individuals and oil dealers.

Commercial banks quoted the shillings at 120.40/60 per dollar same as Thursday's close.

In other news, Uncertainty over dividend payouts by listed financial firms at the Nairobi Securities Exchange (NSE) is rearing up again on concerns about the impact of high inflation on the economy.

Banking, manufacturing and insurance companies have largely refrained from offering investors interim dividends in the half year to June, despite profits generally going up in the post-Covid period.

It was anticipated that after the economic recovery from the impact of the Covid-19 scourge, companies would loosen their grip on dividends, which they had withheld as they built up capital buffers during the pandemic.

(Business daily)

Indicative Forex Rates

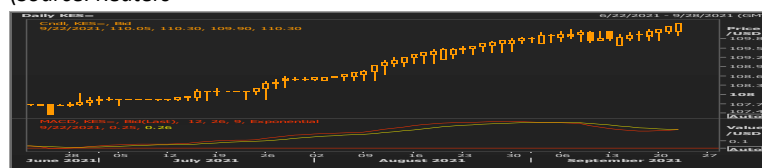
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.10	127.60	116.60	127.10
GBP/KES	133.51	153.01	132.71	147.51
EUR/KES	115.62	141.52	115.92	134.52
AED/KES	28.83	38.83	30.83	38.33

Money Rates	Market	Current	Previous	Change
Interbank Rate		3.860%	3.990%	0.130
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	4.12329	0.05069	3.51810
12 months	4.67214	-	-

(Source: Reuters



INTERNATIONAL NEWS

The dollar lingered near a two-decade top on major peers on Monday, ahead of a week loaded with market holidays and central bank decisions from Washington to London and Tokyo.

The dollar index, which measures the currency against six counterparts, was 0.2% stronger than Friday at 109.84, consolidating after a volatile couple of weeks that took it as high as 110.79 on Sept. 7 for the first time since mid-2002.

Last week the greenback mostly held a slight gain following U.S. data showing consumer sentiment improved moderately in September. The University of Michigan's preliminary September reading on the overall index on consumer sentiment came in at 59.5, up from 58.6 in the prior month. Economists polled by Reuters had forecast a preliminary reading of 60.0 in September.

On the other hand, Sterling fell against the dollar to a new 37-year low of \$1.1351 and was last down 0.5% at \$1.1416, while the euro was up 0.1% at \$1.0008.

In the commodities market, Oil prices climbed on Monday as a weaker dollar and supply concerns ahead of the European Union embargo on Russian oil in December offset fears of a global recession that could dampen fuel demand.

Brent crude futures rose 60 cents, or 0.7%, to \$91.95 a barrel by 0330 GMT after settling 0.5% on Friday. U.S. West Texas Intermediate crude was at \$85.50 a barrel, up 39 cents, or 0.5%. The front-month contract expires on Tuesday.

Gold prices recovered slightly from recent losses on Monday but remained pinned below key levels as markets awaited more policy tightening measures from the Federal Reserve.

Spot gold rose 0.2% to \$1,678.51 an ounce, while gold futures rose 0.2% to \$1,687.30 an ounce by 20:03 ET (00:03 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	0.9757	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.