



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

## TREASURY MARKET UPDATE 20<sup>TH</sup> JUNE 2022

### DOMESTIC NEWS

Kenya shilling held steady on Friday but is expected to ease at the back of the demand for dollars from the energy sector. Commercial banks quoted the shillings at 117.25/45 per dollar same as Thursday's close.

In other local news in the market, the minimum tea price set by the government in July last year for produce from the Kenya Tea Development Agency (KTDA) has lifted earnings for other suppliers of high-quality beverage.

The reserve price was set at \$2.43 (Sh285 at current exchange rates), a move that has benefited KTDA and other firms, including Kakuzi and Eastern Produce Kenya which are owned by UK-based multinational Camellia Plc. The two subsidiaries have tea estates in Nandi Hills.

### Indicative Forex Rates

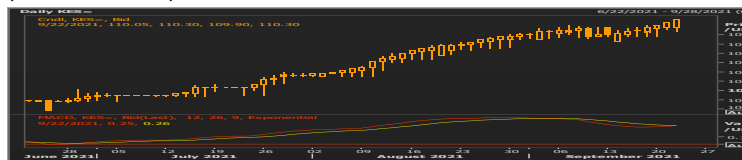
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	113.95	125.95	113.45	125.45
GBP/KES	139.71	154.21	138.91	153.71
EUR/KES	119.21	139.11	119.01	137.61
AED/KES	30.48	36.48	29.98	33.80

Money Market Rates	Current	Previous	Change
Interbank Rate	5.220%	5.090%	0.130
91-Day T-bill	7.925%	7.866%	0.067
182-Day T-Bill	9.096%	9.037%	0.073
364-Day T-Bill	9.961%	9.952%	0.054
Inflation	7.080%	6.500%	0.580
CBR RATE	7.500%	7.000%	0.500

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	2.78043	0.04083	2.28340
12 months	3.58586	-	-

(Source: Reuters)



### INTERNATIONAL NEWS

The dollar was down on Monday morning in Asia as the economic outlook remained uncertain. The U.S. Dollar index that tracks the greenback against a basket of other currencies fell 0.29% to 104.40 by 12:56 AM ET (4:56 AM GMT). U.S. markets will be closed on Monday for a holiday.

The USD/JPY pair inched down 0.03% to 134.93. The Bank of Japan (BOJ) kept its ultra-loose monetary policies among its hawkish global peers, sending the yen even lower. Other USD pairs traded as: AUD/USD pair gained 0.44% to 0.6960, with the NZD/USD pair jumping 0.36% to 0.6327 while USD/CNY pair fell 0.63% to 6.6743, and the GBP/USD pair edged up 0.11% to 1.2238.

Major central banks tightened monetary policies last week with interest rate hikes. The U.S. Federal Reserve decided to raise interest rates by 75 basis points last Wednesday, the biggest since 1994, despite rising risks of a recession. Surprisingly, the Swiss National Bank also hiked interest rates by 50 basis points on Thursday while the Bank of England followed to raise to 1.25% on the same day.

In the commodities markets, Gold was up on Monday morning in Asia as the U.S. dollar weakened ahead of a U.S. holiday. Gold futures were up 0.34% to \$1,846.80 by 12:30 AM ET (4:30 AM GMT).

Oil was down on Monday morning in Asia over tight supplies and concerns about slowing economic growth and fuel demand. It slid 6% during the previous session.

Brent oil futures fell 0.24% to \$112.85 by 12:11 AM ET (4:11 AM GMT) and crude oil WTI futures edged down 0.19% to \$107.78.

### 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	1.0323		1.0726
GBP/USD	1.2094		1.2301	
USD/AED	3.6526		3.6935	
USD/JPY	132.55		136.95	

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.