



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

## TREASURY MARKET UPDATE 21<sup>ST</sup> APRIL 2022

### DOMESTIC NEWS

The Kenya shilling was broadly stable in thin trade on Wednesday with dollar demand from the manufacturing and energy sectors and importers maintaining downward pressure. Commercial banks quoted the shillings at 115.45/65 against the dollar compared to Tuesday's closing rate of 115.40/60.

In other local news, the government has raised Sh27.6 billion from the sale of the fifteen-year bond which had targeted to raise Sh30 billion. It is the second April bond after the three-year paper which also underperformed its target of Sh40 billion after netting Sh33.1 billion. The Central Bank of Kenya, the government's fiscal agent, received bids of Sh32.5 billion on the 15-year security and rejected Sh4.9 billion of the amounts offered. The long-term bond was sold at an average fixed interest rate of 13.94 percent, and which was set by the market.

### Indicative Forex Rates

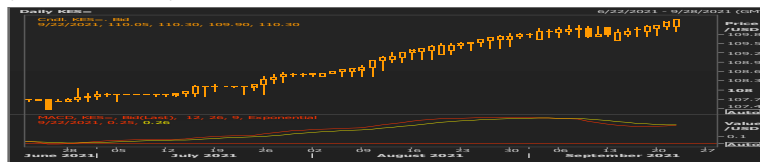
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	112.05	119.05	113.55	118.55
GBP/KES	146.80	154.80	146.50	155.20
EUR/KES	120.78	128.68	121.58	129.08
AED/KES	29.96	32.96	29.46	33.46

Money Market Rates	Current	Previous	Change
Interbank Rate	4.580%	4.410%	0.017
91-Day T-bill	7.424%	7.377%	0.047
182-Day T-Bill	8.315%	8.219%	0.096
364-Day T-Bill	9.745%	9.743%	0.002
Inflation	5.560%	5.080%	0.480
CBR RATE	7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	1.60714	0.03220	1.58660
12 months	2.30257	-	-

(Source: Reuters)



### INTERNATIONAL NEWS

The dollar edged up on Thursday, supported by expectations for aggressive Federal Reserve monetary tightening, but it was well off the previous day's peaks amid nervousness about what G7 might say about its rapid appreciation. The greenback firmed 0.34% to 128.305 yen, after soaring to a two-decade high of 129.430 on Wednesday as the Bank of Japan (BOJ) stepped into the bond market for the third time in three months to defend its zero-percent yield target, drawing a stark contrast with the Fed's increasingly hawkish posture.

The dollar index - which measures the currency against six peers including the yen - ticked up 0.16% to 100.50, following its retreat in the previous session from a more than two-year peak of 101.03.

In the commodities market, Oil was up on Thursday morning in Asia but remained in a narrow range after supplies from Libya shook markets earlier in the week. Brent oil futures jumped 0.92% to \$107.78 by 12:11 AM ET (4:11 AM GMT) and WTI futures rose 0.83% to \$103.04. Markets are likely to become volatile again soon, with the European Union still weighing a ban on Russian oil for its invasion of Ukraine on Feb. 24, according to analysts.

Gold on the other hand was down on Thursday morning in Asia, with rebounding U.S. Treasury yields countering safe-haven demand from the ongoing war in Ukraine and its potential impact on the global economy. Gold futures edged down 0.13% to \$1,953 by 1:08 AM ET (5:08 AM GMT). The dollar, which normally moves inversely to gold, inched up on Thursday.

Benchmark U.S. 10-year Treasury yields were back on an upward trend after falling from three-year highs on Wednesday. U.S. bond yields have been climbing over expectations that the U.S. Federal Reserve will aggressively hike interest rates.

Indicative Profit Rates on Deposits		
	Amounts > 10 million	Amounts >100,000
	KES	USD
2 Weeks	6.55%	0.35%
1 Month	6.75%	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	1.0105	1.1455
GBP/USD	1.2870	1.3340
USD/AED	3.6140	3.6945
USD/JPY	119.50	129.50

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.