



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 21ST FEBRUARY 2022

DOMESTIC NEWS

The Kenyan shilling inched down on Friday due to increased dollar demand.

Commercial banks posted the shilling at 113.60/80 against the dollar, compared with Thursday's closing rate of 113.55/75.

In other local news, World Bank and the International Monetary Fund (IMF) have stepped up lending to Kenya over the past three years, which has seen Chinese loan deals reduce, firming the grip of Bretton Woods institutions on East Africa's biggest economy.

Data from the National Treasury show World Bank's total lending rose by Sh517 billion from June 2019 to Sh1.125 trillion in December, with the bulk loans coming in the wake of Covid-19 economic hardships.

The IMF lending grew from Sh158.5 billion to Sh207.5 billion in the same period while Chinese loans increased by Sh125 billion to Sh786 billion.

Indicative Forex Rates

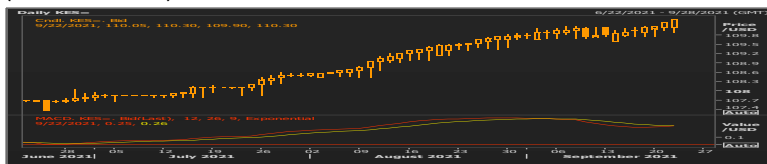
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.20	117.20	111.70	116.70
GBP/KES	150.90	158.90	150.60	159.30
EUR/KES	124.80	132.70	125.60	133.10
AED/KES	29.46	32.46	28.96	32.96

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.720%	5.420%	-0.7000
91-Day T-bill		7.250%	7.285%	0.035
182-Day T-Bill		8.075%	8.108%	0.033
364-Day T-Bill		9.724%	9.668%	0.041
Inflation		5.780%	5.69%	-0.090
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	0.78129	0.04083	0.1.33050
12 months	1.28586	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The greenback pared intra-day losses made in European morning and later ended the day modestly higher against majority of its peers as news of an explosion in Ukraine triggered broad-based risk aversion.

Dollar and yen initially fell in Asia when Reuters reported U.S. Secretary of Antony Blinken has accepted an invitation to meet with Russian Foreign Minister Sergei Lavrov late next week provided Russia does not invade Ukraine, the U.S. State Department said on Thursday.

EUR/USD on the other hand, takes the bids to renew intraday high near 1.1365, up 0.35% intraday as it snaps two-day downtrend during the late Asian session on Monday. The major currency pair not only dropped during the last two days but also portrayed a fortnight-long south-run before the latest recovery, mainly due to the improvement in the risk appetite.

Global markets began the trading week on a back foot as weekend news marked an explosion was heard in the center of the rebel-held city of Donetsk in eastern Ukraine.

Asian share markets pared sharp early losses on Monday as a glimmer of hope emerged for a diplomatic solution to the Russian-Ukraine standoff, though there remained plenty of devil in the detail. Wall St futures rallied on news U.S. President Joe Biden and Russian President Vladimir Putin have agreed in principle to hold a summit on the Ukraine crisis.

Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000	
	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	1.1252	1.1478
GBP/USD	1.3125	1.3945
USD/AED	3.6425	3.6303
USD/JPY	109.25	117.55

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.