



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

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

### DOMESTIC NEWS

Kenya shilling weakened slightly on Monday as dollar appetite from the energy sector outstripped supplies from exports and remittances. Commercial banks quoted the shillings at 117.40/60 compared to 117.30/50 per dollar which is the Fridays close. The currency has lost 3.75% of its value against the dollar since the start of the year. (Reuters)

In other local news on commodities, the price of maize flour has breached the Sh200 mark for a two-kilogramme packet, a move that is set to put upward pressure on inflation as Kenyans are grappling with a rise in the cost of other basic goods.

The increase in retail prices of the staple comes as a 90-kilogramme bag of the commodity hits Sh6,500, reflecting the impact of dwindling supplies.

A two-kilo packet of Jogoo brand is selling at Sh204, Pembe at Sh208 and Ajab is going for Sh206 from Sh150 last week while premium brands like Amaize and Hostess are now retailing at Sh204 and Sh220 respectively from Sh167 a week earlier.

### Indicative Forex Rates

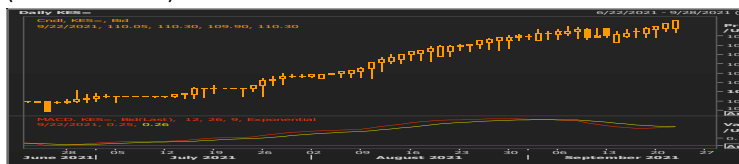
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	114.05	126.05	113.55	125.55
GBP/KES	140.19	154.69	139.39	154.19
EUR/KES	119.29	139.19	119.09	137.69
AED/KES	30.50	36.50	30.00	37.50

Money Market Rates	Current	Previous	Change
Interbank Rate	5.300%	5.220%	0.080
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 Tuesday morning in Asia as investors are keeping an eye on posturing from major central banks to curb inflation. The U.S. Dollar Index that tracks the greenback against a basket of other currencies fell 0.34% to 104.35 by 12:52 AM ET (4:52 AM GMT). The USD/JPY pair inched up 0.02% to 135.10, hovering near a 24-year low versus the dollar.

Japanese Finance Minister Shunichi Suzuki said earlier on Tuesday that he was concerned about the recent sharp yen weakening and would appropriately respond to exchange market moves if necessary.

Oil prices rose 1% on Tuesday, clawing back more of last week's losses as investors focused on tight supplies of crude and fuel products rather than concerns about a recession dampening demand going forward.

Brent crude futures rose \$1.08, or about 1%, to \$115.21 a barrel at 0400 GMT, adding to a 0.9% gain on Monday. The benchmark contract fell 7.3% last week in its first weekly fall in five.

U.S. West Texas Intermediate (WTI) crude futures for July, which expires later on Tuesday, rose to \$112.01 a barrel, up \$2.45, or 2.2%, from Friday's close. There was no settlement on Monday, which was a U.S. public holiday. WTI dropped 9.2% last week.

Gold was down on Tuesday morning in Asia as the U.S. dollar eased, while investors monitored posturing from major central banks on interest rate hikes.

Gold futures edged up 0.12% to \$1,842.95 by 11:23 PM ET (3:24 AM GMT). The dollar, which normally moves inversely to gold, fell on Tuesday morning.

Benchmark U.S. 10-year Treasury yields rose, keeping gold prices in check.

### 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	1.0316	1.0725
GBP/USD	1.2063	1.2460
USD/AED	3.6524	3.6933
USD/JPY	133.05	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.