



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 22ND APRIL 2022

DOMESTIC NEWS

The Kenya shilling is expected to continue edging lower in the coming week due to strong dollar demand from the fuel importers and other sectors while dollar supplies from tourism and remittances remain muted. Commercial banks quoted the shillings at 115.45/65 against the dollar compared to last week's close of 115.30/50.

In other local news, the weekly coffee prices declined marginally during the second last sale of the season as the auction plans to take a one-month break as the main crop period comes to an end. Market report from the Nairobi Coffee Exchange (NCE) indicates that the price of a 50-kilogramme bag dropped to \$226 (Sh26,080) down from \$228 (Sh26,311) in the previous sale. The price of the commodity has been on a constant decline since February as the high-quality beans from the main crop dwindles, cutting down on demand.

Indicative Forex Rates

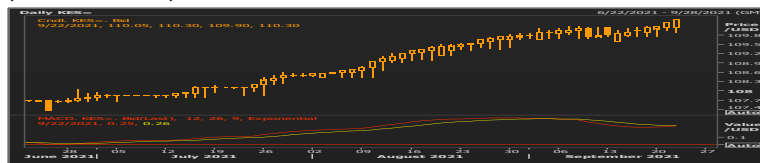
| | Buy Cash | Sell Cash | Buy TT | Sell TT |
|---------|----------|-----------|--------|---------|
| USD/KES | 112.10 | 119.10 | 113.60 | 118.60 |
| GBP/KES | 146.60 | 154.60 | 146.30 | 155.00 |
| EUR/KES | 120.96 | 128.86 | 121.76 | 129.26 |
| AED/KES | 29.97 | 32.97 | 29.47 | 33.47 |

| Money Rates | Market | Current | Previous | Change |
|----------------|--------|---------|----------|--------|
| Interbank Rate | | 4.600% | 4.580% | 0.020 |
| 91-Day T-bill | | 7.448% | 7.424% | 0.024 |
| 182-Day T-Bill | | 8.373% | 8.315% | 0.058 |
| 364-Day T-Bill | | 9.755% | 9.745% | 0.010 |
| 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 | 1.67457 | 0.03319 | 1.57630 |
| 12 months | 2.36886 | - | - |

(Source: Reuters)



INTERNATIONAL NEWS

The dollar was up on Friday morning in Asia. The greenback headed for a seventh consecutive weekly gain on the yen and the best one-week rise on China's yuan in more than two years, boosted by higher U.S. yields. The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched up 0.06% to 100.675 by 11:15 PM ET (3:15 AM GMT). The USD/JPY pair edged up 0.18% to 128.62.

With China easing its monetary policy and Japanese government bond yields near zero, both the yen and yuan were on downward trends. The yen is down 1.6% for the week to date and was just above Wednesday's 20-year low of 129.43. The yuan, on its part, tumbled through its 200-day moving average throughout the week and hit a fresh seven-month low of 6.4830 in offshore trade earlier in the session.

In the commodities market, Oil prices extended losses on Friday, heading for a 4% weekly drop and burdened by the prospect of rate hikes, weaker global growth and COVID-19 lockdowns in China hurting demand, even as the European Union weighed a ban on Russian oil.

Brent crude futures were down \$1.17, or 1.1%, to \$107.16 a barrel at 0420 GMT, while U.S. West Texas Intermediate (WTI) crude futures had declined \$1.17 cents, or 1.1%, to \$102.62 a barrel. Both benchmark contracts were headed for weekly declines of around 4.0%.

Gold was up on Friday morning in Asia but strengthening U.S. Treasury yields put bullion on course for its first weekly loss in three.

Gold futures were up 0.26% to \$1,953.30 by 12:26 AM ET (1:35 AM GMT). According to strategists, the outlook for gold is subdued as rising rates weigh in, but a clear direction for gold will be seen when we break the trading range of between \$1,930 to under \$2,000 in a convincing manner.

| 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 |

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