



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

## TREASURY MARKET UPDATE 23<sup>RD</sup> MAY 2022

### DOMESTIC NEWS

Kenya shilling weakened on Friday to touch a new record low due to increased demand for dollars from oil companies. Commercial banks quoted the shillings at 116.40/60 per dollar compared with Thursdays close of closing rate of 116.30/50.

In the local market news on commodities Traders withdrew teas worth Sh1.2 billion from the latest auction as prices remain low in the market, making it the largest consignment to have been taken off the trading floor this year.

Data from the East African Tea Trade Association (Eatta) indicates that 4.7 million kilogrammes of tea were withdrawn during the sale as the price increased marginally to \$2.25 (Sh262) a kilo from \$2.24 (Sh260.7) in the previous sale.

### Indicative Forex Rates

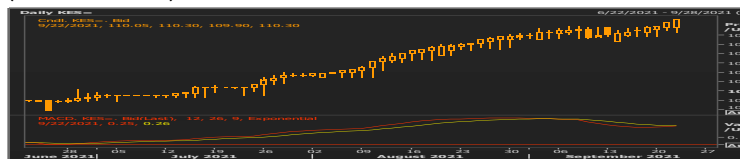
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	113.00	123.00	114.50	122.50
GBP/KES	142.15	155.15	141.85	151.65
EUR/KES	118.99	132.89	119.79	130.39
AED/KES	30.22	36.22	29.72	37.22

Money Market Rates	Current	Previous	Change
Interbank Rate	4.350%	4.380%	-0.030
91-Day T-bill	7.758%	7.683%	0.075
182-Day T-Bill	8.832%	8.722%	0.110
364-Day T-Bill	9.879%	9.860%	0.019
Inflation	6.500%	5.560%	0.940
CBR RATE	7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	2.06557	0.03245	1.81030
12 months	2.73000	-	-

(Source: Reuters)



### INTERNATIONAL NEWS

The dollar slipped on Monday as investors kept up selling pressure, cutting bets on further dollar gains from rising U.S. rates, while turning hopeful that loosening lockdowns in China can help global growth and exporters' currencies. The U.S. dollar index, up about 16% to a two-decade high over the 12 months to the middle of May, was down about 0.23% at 102.680 and has lost roughly 2% in a week. The safe-haven Swiss franc rose too, holding on to sharp gains made last week - its best since March 2020 - when it climbed from parity on the dollar to about 0.9716 per dollar.

On the other hand, the euro and yen rose, with the Japanese currency up 0.4% to 127.35 per dollar and the euro up 0.2% at \$1.0586 following last week's 1.5% gain on the dollar. The Aussie rose 0.5% to \$0.7091 and has lifted 3.8% in a week and a half. The kiwi rose 0.8% to \$0.6458, a three-week high

In The commodities space, Oil was up on Monday morning in Asia as the upcoming U.S. peak driving season could see higher fuel demand. Brent oil futures gained 0.63% to \$110.71 by 12:26 AM ET (4:26 AM GMT) and crude oil WTI futures jumped 0.54% to \$110.88.

Gold was up on Monday morning in Asia, hitting a more than one-week high. A weakening dollar continued to support the greenback-priced yellow metal, even as rising U.S. Treasury yields capped gains. Gold futures rose 0.62% to \$1,853.46 by 1:13 AM ET (5:13 AM GMT), with prices hitting their highest since May 12 at \$1,853.55 earlier in the session.

### 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	1.0437	1.0641
GBP/USD	1.2273	1.2585
USD/AED	3.6626	3.6836
USD/JPY	127.09	131.45

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.