



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 23RD SEPTEMBER 2022

DOMESTIC NEWS

The Kenya shilling weakened on Thursday due to increased dollar demand from oil importers and strengthening of the dollar globally.

Commercial banks quoted the shillings at 120.55/75 per dollar compared with Wednesday's close of 120.30/50.

In other news, Saudi Arabia has emerged as the fastest-growing source of remittances, pointing to increasing migration of jobless Kenyan workers despite cases of abuse and cruel treatment of foreign domestic workers in the Middle East nation. Fresh official data — based on cash flows through formal channels — indicate that diaspora remittances from Saudi Arabia have more than doubled in the past two years.

Statistics from the Central Bank of Kenya (CBK) show Sh22.65 billion (\$188.79 million) was sent back home by Kenyans living in Saudi Arabia in the first eight months of the year.

This ranks the Gulf nation as the third-largest source of remittances for Kenya behind the United Kingdom (25.4 billion) and the United States (Sh188.8 billion). (Business daily)

Indicative Forex Rates

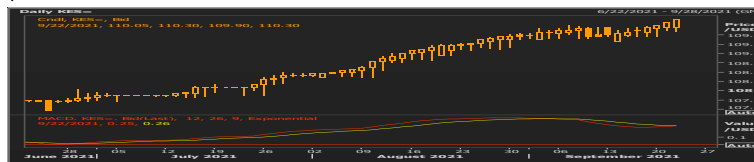
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.15	127.65	116.65	127.15
GBP/KES	131.54	151.04	130.74	145.54
EUR/KES	113.63	139.53	113.93	132.53
AED/KES	28.85	38.85	30.85	38.35

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.060%	3.860%	0.200
91-Day T-bill		8.951%	8.950%	0.001
182-Day T-Bill		9.625%	9.615%	0.010
364-Day T-Bill		9.909%	9.913%	0.004
Inflation		8.530%	8.320%	0.210
CBR RATE		7.500%	7.500%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	4.12400	0.05254	3.65590
12 months	4.68243	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The Japanese yen soared across the board on Thursday after monetary authorities intervened in the foreign exchange market to boost the battered currency for the first time since 1998, although analysts said Japan may struggle to keep the yen strong.

The dollar was last down 1.2% at 142.33 yen. It hit a low of 140.31 after the intervention, having earlier reached a fresh 24-year peak of 145.9 yen. The spread between the day's high and low for the pair was the widest since June 2016.

In the commodities markets, Oil prices fell on Friday amid recession fears and a stronger U.S. dollar, though losses were capped by supply concerns after Moscow's new mobilization campaign in its war with Ukraine and an apparent deadlock in talks on reviving the Iran nuclear deal.

Brent crude futures fell 41 cents, or 0.5%, to \$90.05 per barrel at 0325 GMT, while U.S. West Texas Intermediate (WTI) crude futures were down 30 cents, or 0.4%, to \$83.19.

Gold prices steadied on Friday and were set to end the week largely unchanged as selling pressure from a hawkish Federal Reserve appeared to have eased.

Bullion prices showed surprising resilience this week after the Fed hiked rates and struck a more hawkish tone than many were expecting, with U.S. interest rates now set to end the year well above 4%.

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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	0.9628	1.0033
GBP/USD	1.1037	1.1480
USD/AED	3.6530	3.6932
USD/JPY	140.15	144.20

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.