



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 24TH MARCH 2022

DOMESTIC NEWS

The Kenya shilling edged down to a fresh record low on Wednesday due to demand for dollars from the energy sector and firms paying dividends to their foreign shareholders. Commercial banks quoted the shilling at 114.50/70 per dollar compared to Tuesday's close of 114.45/65.

In the commodity market locally Coffee earnings declined 23 percent in this week's auction as the beverage continues to record dismal performance.

This comes in the wake of increased supply of inferior quality beans.

Data from the Nairobi Coffee Exchange (NCE) shows the market recorded a turnover of \$6.06 million (Sh695 million) this week when compared with \$7.9 million (Sh906 million) that was witnessed last week.

In other news in the market, the raft of dividend announcements and record earnings made in the past three weeks has not excited the stock market, with share prices registering muted growth despite the attractive returns on offer.

Indicative Forex Rates

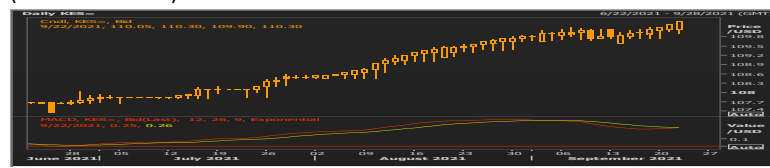
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	111.10	118.10	112.60	117.60
GBP/KES	147.12	155.12	146.82	155.52
EUR/KES	121.47	129.37	122.27	129.77
AED/KES	29.70	32.70	29.20	33.20

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.26%	4.22%	0.040
91-Day T-bill		7.252%	7.206%	0.046
182-Day T-Bill		8.093%	8.032%	0.061
364-Day T-Bill		9.763%	9.771%	0.080
Inflation		5.080%	5.390%	-0.310
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	1.38457	0.04267	1.44960
12 months	2.01257	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar is up this morning in Asia, finding some support as commodity currencies took a breather from their recent steep rally. The U.S. Dollar Index that tracks the greenback against a basket of other currencies edged up 0.18% to 98.790 by 12:08 PM ET (4:08 AM GMT).

The Euro on the other side weakened a bit as oil prices shot higher again with U.S. President Joe Biden poised to announce, alongside European leaders, new sanctions against Russia during his trip to Europe. The US president is due to arrive in Brussels later Wednesday on his first foreign trip since the war in Ukraine began and will meet NATO and European leaders in an emergency summit at the Western military alliance's headquarters. According to sources the U.S. package would include measures targeting Russian members of parliament.

In the commodities market Crude prices declined in volatile trading as investors assessed the potential for new supply in the tight markets amid prospects of a new Iran deal. Brent futures were down 58 cents, or 0.48%, at \$121.02 a barrel and U.S. West Texas Intermediate futures fell 96 cents, or 0.84%, to \$113.97 a barrel at 0502 GMT. Both contracts rose \$2 and \$1, respectively, in early trade.

Gold on the other hand is up this morning in the Asia markets. The yellow metal futures edged up 0.17% to \$1,940.50 by 12:54 PM ET (4:54 AM GMT). The dollar normally moves inversely to gold, edged up while the benchmark U.S. 10-year Treasury yield remained near Wednesday's peak, the highest since May 2019.

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	7.50%	0.80%	
6 Months	8.25%	1.25%	
1 year	8.85%	1.75%	

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.0523	1.1333
GBP/USD	1.3011	1.3998
USD/AED	3.6423	3.6333
USD/JPY	114.27	119.27

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.