



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

## TREASURY MARKET UPDATE 25<sup>TH</sup> APRIL 2022

### DOMESTIC NEWS

The Kenya shilling Traded flat on Friday but will remain squeezed by dollar demand from the energy sector and month end obligations from corporations. Commercial banks quoted the shillings at 115.55/75 against the dollar same as Thursday's close.

In other local news, following a shortage of the US dollar and the race to protect the reserves, the Central Bank of Kenya (CBK) has directed commercial banks to ration dollars currency, hitting manufacturers and general goods importers. Several currency traders and importers say banks have imposed a daily cap on dollar purchases as firms struggle to obtain adequate forex to meet their obligations. This has forced industrialists to start seeking dollars in advance as the shortage puts a strain on supplier relations and the ability to negotiate favorable prices in spot markets.

### Indicative Forex Rates

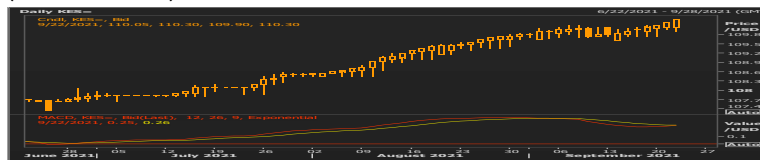
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	112.20	119.20	113.70	118.70
GBP/KES	143.97	151.97	143.67	152.37
EUR/KES	120.19	128.09	120.99	128.49
AED/KES	30.00	33.00	29.50	33.50

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.660%	4.600%	0.060
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	1.82371	0.03436	1.72530
12 months	2.60671	-	-

(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).

On the other hand, 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	1.0075	1.1400
GBP/USD	1.2098	1.3375
USD/AED	3.6145	3.6940
USD/JPY	122.50	131.50

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.