



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 25TH FEBRUARY 2022

DOMESTIC NEWS

Kenya's shilling was little changed on Friday and traders said they expected it to weaken due to a general increase in dollar demand from importers and portfolio investors.

The commercial banks quoted the shilling at 113.75/95 per dollar, same level as the previous day's close.

In other local news, A parliamentary committee has struck out sections of a Bill that sought to usurp the powers of the Central Bank of Kenya (CBK) as a fiscal agent and banker to the government.

MPs have proposed changes to the Debt Management Authority Bill which seeks to establish an independent body to manage the country's debt with a view of reducing the burden which is projected to hit Sh8.6 trillion in June.

Elsewhere Central Bank of Kenya accepted bids with Kes 12.7 B from Kes 15.3 B received bids, an undersubscription of 63.63%.

Out of the amount accepted Kes 9.6 B were competitive bids while Kes. 3.1 B was in non-competitive bids

Indicative Forex Rates

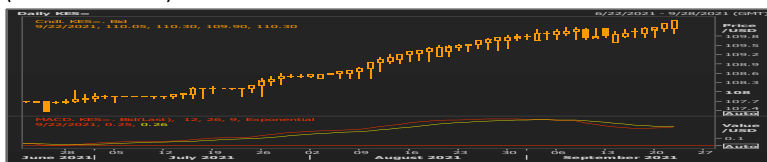
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.30	117.30	111.80	116.80
GBP/KES	149.74	157.74	149.44	158.14
EUR/KES	123.59	131.49	124.39	131.89
AED/KES	29.48	32.48	28.98	32.98

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.810%	5.440%	0.370
91-Day T-bill		7.254%	7.250%	0.004
182-Day T-Bill		8.062%	8.075%	0.013
364-Day T-Bill		9.764%	9.724%	0.040
Inflation		5.390%	5.690%	-0.300
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	0.82871	0.04083	1.29260
12 months	1.33071	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The Russian ruble dived around 29% against the dollar on Monday morning, as markets assessed the impact of sanctions on Russia amid a growing backlash against the Kremlin's invasion of Ukraine.

The ruble was trading as low as 119 per dollar as offshore trading started in the morning during Asia hours, from nearly 84 per dollar the previous day, according to Factset data.

On the other hand, the EUR/USD pair is likely to retest fresh 2022 lows near 1.1100, as the tensions between Russia and Ukraine escalate following the Washington Post's report that Belarus is likely to join Russia's invasion. The former is preparing its military troops to send them to support the Russian military as soon as on Monday, a US administration official cited.

Gold defends the week-start gap-up around \$1,905, up 0.80% intraday amid the rush to risk-safety during Monday's Asian session. The yellow metal snapped a three-week uptrend even after rising to July 2021 high. However, the weekend headlines concerning the Russia-Ukraine tussles amplified the risk-off mood and portrayed an upside gap as the NFP week begins.

In the capital markets, U.S. stocks opened lower Thursday as Russia began invading Ukraine. But remarks President Joe Biden made during an afternoon address on the conflict quelled some anxiety amongst investors.

The Dow Jones Industrial Average, S&P 500 and the NASDAQ Composite, which all opened down more than 2%, rebounded and closed higher.

The tech-heavy NASDAQ index ended Thursday with the greatest gains amongst the three indices. It closed 436 points higher, amounting to a 3.34% increase.

Crude oil was trading at more than \$105 a barrel briefly on Thursday, the highest level since 2014, but closed under \$100 a barrel.

Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000
	KES		USD
2 Weeks	6.00%	0.25%	
1 Month	6.25%	0.50%	
3 Months	6.50%	0.75%	
6 Months	6.75%	1.00%	
1 year	7.00%	1.25%	

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.1025	1.1407
GBP/USD	1.3125	1.3945
USD/AED	3.6430	3.6310
USD/JPY	110.25	117.70

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.