



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

## TREASURY MARKET UPDATE 2ND AUGUST 2022

### DOMESTIC NEWS

Kenya shilling slipped slightly lower on Monday as dollar demand from manufacturers and oil marketers. Commercial banks quoted the shillings at 118.70/90 per dollar compared to Fridays close of close of 118.65/85. (Refinitive)

In other local news, the National Treasury is in the market seeking Sh50 billion from the sale of three reopened bonds this month. The bonds on auction are a three-year, 10-year bond and a 20-year paper which were first auctioned earlier on different dates. The three-year bond was first sold in April when its coupon (interest) rate was recorded at 11.76 percent.

The 10-year security was initially auctioned in 2019 when its average rate came in at 12.3 percent. The 20-year paper first set a coupon rate of 13.44 percent last year.

The three securities are on sale until August 16. The shorter-dated paper has 2.7 years to maturity, while the 10- year and the 20-year bonds have 6.7 years and 19.1 years to redemption respectively. (Business daily)

### Indicative Forex Rates

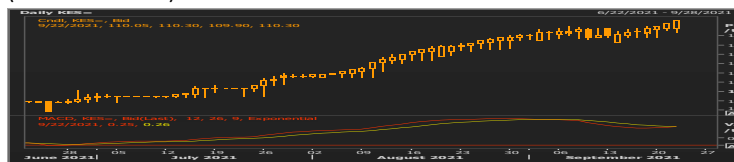
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	114.45	125.45	114.95	125.95
GBP/KES	141.68	156.18	140.88	155.68
EUR/KES	117.80	137.70	117.60	136.20
AED/KES	30.88	36.88	30.38	37.88

Money Market Rates	Current	Previous	Change
Interbank Rate	5.510%	5.350%	0.160
91-Day T-bill	8.399%	8.322%	0.077
182-Day T-Bill	9.392%	9.393%	0.001
364-Day T-Bill	9.946%	9.968%	0.022
Inflation	8.320%	7.910%	0.410
CBR RATE	7.500%	7.500%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	3.32986	0.04330	2.45970
12 months	3.70729	-	-

(Source: Reuters)



### INTERNATIONAL NEWS

The U.S. dollar hit its lowest level since mid-June against the Japanese yen on Monday as investors weighed the likelihood that the Federal Reserve will not raise interest rates as aggressively as some had expected. The U.S. dollar index was volatile after data showed U.S. manufacturing activity slowed less than expected in July. But a key report for investors this week will be the U.S. monthly jobs report on Friday. Jitters about the impact of an impending visit to Taiwan by U.S. House of Representatives Speaker Nancy Pelosi were also driving some haven flows to the yen, while weighing on other Asian currencies. The greenback fell as low as 130.595 yen in early trading, its lowest since June 6, and was last down 0.55%, leaving it down 4% in the past four sessions.

In the commodities market, Oil prices dropped again on Tuesday as investors absorbed a bleak outlook for fuel demand with data pointing to a global manufacturing downturn just as major crude producers meet this week to determine whether to increase supply. Brent crude futures fell 77 cents, or 0.8%, to \$99.26 a barrel by 0421 GMT, while WTI crude futures eased 67 cents, or 0.7%, to \$93.22 a barrel. The slide came after Brent futures slumped on Monday to a session low of \$99.09 a barrel, their lowest since July 15. The U.S. crude benchmark dropped to as low as \$92.42 a barrel, its weakest since July 14.

On the other hand, Gold prices rose on Tuesday as signs of weakening economic activity across the globe drove demand for the haven, while copper prices extended losses into a third consecutive day. As of 2045 EST (1244 GMT), spot gold prices rose nearly 0.4% to \$1,778.59 an ounce- their highest level in nearly a month. Gold Futures expiring in December were trading up more than 0.4% and were close to breaking above \$1,800.

### 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	1.0049	1.0450
GBP/USD	1.1930	1.2430
USD/AED	3.6528	3.6931
USD/JPY	128.35	132.50

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.