



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 2ND MARCH 2022

DOMESTIC NEWS

The Kenyan shilling was stable against the dollar on Tuesday due to slow appetite for dollars from merchandise importers and commercial banks.

At 0646 GMT, commercial banks quoted the shilling at 113.75/95 per dollar, the same level as Monday's close.

Elsewhere on the local scene, Fertiliser prices are set to skyrocket above Sh7,000 for a 50 kilo bag on fears that Russia's invasion of Ukraine will curtail global supplies.

Agriculture Cabinet Secretary Peter Munya on Tuesday told Parliament that the cost of the farm input could rise unless it was subsidised for farmers.

Also the prices paid by consumers for essential commodities like maize meal, cooking fat, onions, potatoes and white bread rose last month despite the rate of inflation in the country easing for the fifth month in a row, helped by unchanged prices of electricity.

Data by the Kenya National Bureau of Statistics (KNBS) released on Monday showed the rate of increase of basic goods and services dropped to 5.08 percent in February from a high of 5.39 percent in January.

Indicative Forex Rates

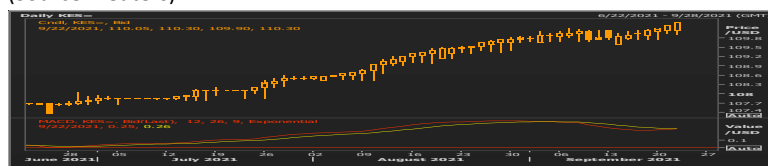
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.35	117.35	111.85	116.85
GBP/KES	147.50	155.50	148.41	157.11
EUR/KES	122.18	130.08	122.18	130.48
AED/KES	29.50	32.50	29.00	33.00

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.580%	5.810%	-0.230
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		5.080%	5.390%	-0.310
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	0.80471	0.04083	1.30810
12 months	1.28800	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The crisis in Ukraine remains precarious, with no clear path to resolve the conflict, but what is clear is that protracting the war will be highly detrimental to financial markets, says Mark Bristow, CEO of Barrick Gold.

Barrick is the world's second largest gold producer, operating mines in five continents.

While speaking to Kitco News at the BMO Global Metals and Mining Conference, Bristow said that even though the conflict is so far only contained within Ukraine, the economic ramifications are global.

On the commodities markets the gold and silver prices dipped in early Asian trade on Wednesday, as the dollar ticked higher, outweighing safe-haven demand fuelled by the intensifying Russia-Ukraine conflict.

As per the latest metal report, spot gold was down 0.4 percent to \$1,935.38 per ounce. Meanwhile, U.S. gold futures also fell 0.4 percent to \$1,936.50.

Oil Fuels Rally in Commodity Currencies, Safe Havens Lose Appeal

Major commodity-tied currencies staged a rally as crude oil prices extended

gains amid supply concerns fuelled by the ongoing Russian assault on Ukraine.

The Antipodeans led gains overnight, with CAD and NOK breathing down their necks.

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	1.1031	1.1414
GBP/USD	1.3116	1.3944
USD/AED	3.6433	3.6314
USD/JPY	110.26	117.78

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.