



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 4TH APRIL 2022

DOMESTIC NEWS

The Kenya shilling remained steady on Friday with the traders citing a slow dollar demand and supply. Commercial banks quoted the local currency at 114.95/115.15 per dollar compared to Thursdays close of 114.90/115.10

In other news the Central Bank of Kenya (CBK) has revised its projection of this year's current account deficit to 5.9 percent of GDP from 5.2 percent previously, citing the higher price of crude which has raised Kenya's petroleum import bill. This points to a tighter dollar supply in the market as the gap between outflows and inflows widens, which will put the shilling under further pressure and raise the cost of living for Kenyans.

The current account measures the difference between a country's forex inflows and outflows, falling into deficit when outflows are higher.

Indicative Forex Rates

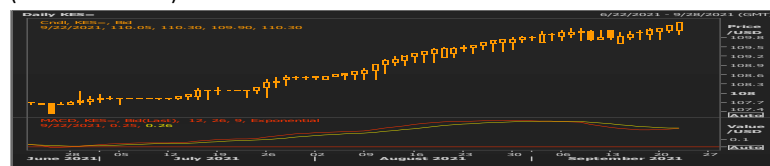
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	111.60	118.60	113.10	118.10
GBP/KES	147.00	155.00	146.70	155.40
EUR/KES	122.77	130.67	123.57	131.07
AED/KES	29.84	32.84	29.34	33.34

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.81%	5.02%	-0.210
91-Day T-bill		7.302%	7.283%	0.019
182-Day T-Bill		8.164%	8.134%	0.030
364-Day T-Bill		9.752%	9.767%	0.015
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	1.48914	0.04330	1.47920
12 months	2.17157	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar was down on Monday morning in Asia. However, it started the week on a firm foot as U.S. Treasury yields rose over expectations that the U.S. will further tighten its monetary policy. The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched down 0.08% to 98.547 by 11:41 PM ET (3:41 AM GMT).

On the other hand, the euro continues to be weighed down by concerns that Russia's invasion of Ukraine on Feb. 24 will continue to impact economic growth. It last bought \$1.1047, not too far from March's almost two-year low of \$1.0806.

German Defence Minister Christine Lambrecht said the European Union should discuss ending Russian gas imports, with Italian Foreign Minister Luigi Di Maio saying that a debate on the issue could take place within the next few hours.

Oil prices inched higher on Monday as worries about tight supply persisted even as investors eyed the release of supplies from strategic reserves from consuming nations and a truce in Yemen sparked hopes that supply issues in the Middle East could abate.

Brent crude futures were up 9 cents, or 0.09%, to \$104.48 a barrel by 0427 GMT while U.S. West Texas Intermediate crude was at \$99.30 a barrel, up 3 cents, or 0.03%. Both contracts slipped \$1 when markets opened on Monday.

Gold prices fell on Monday as the dollar and Treasury yields firmed after a solid U.S. payrolls report raised expectations of aggressive rate hikes, although the Ukraine crisis and talks of more sanctions against Russia supported safe-haven demand. Spot gold was down 0.3% at \$1,917.55 per ounce by 0434 GMT. U.S. Gold futures slipped 0.2% to \$1,920.30.

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	1.0300	1.1344
GBP/USD	1.3012	1.3727
USD/AED	3.6124	3.6899
USD/JPY	117.56	125.79

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.