



**DOMESTIC NEWS**

The Kenya shilling was broadly stable in quiet trade on Thursday but greenback demand from the energy sector was exerting pressure on the local unit. Commercial banks quoted the shillings at 115.70/90.

In other local news the pre-tax profit of Kenyan banks jumped 18.8 percent in the first two months of the year on increased lending and reduced provisioning for bad loans. Data from the Central Bank of Kenya (CBK) shows the pre-tax earnings stood at Sh36.1 billion in the review period, rising from Sh30.4 billion in a similar period last year. The earnings point to even higher profits this year for the industry after record-setting earnings in the full year to December. The banks posted Sh194.8 billion as gross profits last year compared to Sh112.8 billion in 2020, riding on reduced loan loss provisions besides higher income from lending and transactions.

**Indicative Forex Rates**

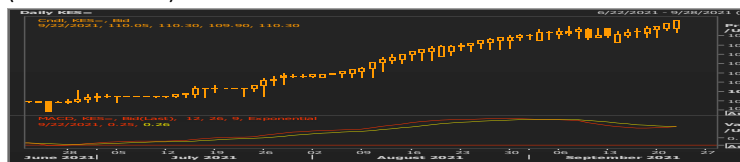
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	112.30	119.30	113.80	118.80
GBP/KES	140.51	148.51	140.21	148.91
EUR/KES	117.39	125.29	118.19	125.69
AED/KES	30.03	33.03	29.53	33.53

Money Market Rates	Current	Previous	Change
Interbank Rate	4.89%	4.720%	0.020
91-Day T-bill	7.497%	7.448%	0.024
182-Day T-Bill	8.458%	8.373%	0.058
364-Day T-Bill	9.776%	9.755%	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	1.91071	0.03015	1.69160
12 months	2.62857	-	-

(Source: Reuters)



**INTERNATIONAL NEWS**

The dollar was up on Wednesday morning in Asia, but moves were small as investors await the latest U.S. Federal Reserve policy decision. The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched up 0.05% to 103.28 by 12:44 AM ET (4:45 AM GMT). The USD/JPY pair inched up 0.02% to 130.12, with the yen remaining just above the 20-year lows hit against the dollar during the previous week. Japanese markets remain closed for a holiday.

In the commodities markets Oil was up on Wednesday morning in Asia, with investors continuing to digest a drawdown in U.S. crude supply that raised supply concerns. Brent oil futures rose 1.01% to \$106.03 by 11:18 PM ET (3:18 AM GMT) and WTI futures jumped 1.14% to \$103.58. The gains came after the European Union said on Tuesday that it is mapping out fresh sanctions against Russia. The sanctions, which come in response to Moscow's invasion of Ukraine on Feb. 24, will target Russian crude supply. Russia is the second-largest crude oil exporter globally.

On the other hand, Gold was down on Wednesday morning in Asia as U.S. Treasury yields rose and the upcoming policy decision from the U.S. Federal Reserve dented demand for the yellow metal. Gold futures were down 0.27% to \$1,865.57 by 11:47 PM ET (3:47 AM GMT). Benchmark U.S. 10-year Treasury yields firmed after retreating from the 3% mark hit during the previous session.

The Fed is widely expected to announce a big interest rate hike to curb high inflation when it hands down its policy decision later in the day. The Federal Open Market Committee will release its policy statement, followed by Fed Chairman Jerome Powell's news conference.

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	1.0085	1.1415
GBP/USD	1.2080	1.3385
USD/AED	3.6145	3.6950
USD/JPY	123.50	132.00