



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

## TREASURY MARKET UPDATE 5<sup>TH</sup> JULY 2022

### DOMESTIC NEWS

Kenya shilling was stable but remained under pressure as oil importers and manufacturing sector sought dollars against a trickle of hard currency. Commercial banks quoted the shillings at 117.80/118.00 against the Fridays close of 117.75/95 per dollar.

In other local news in the market Retail investors in government securities redeemed Sh30.8 billion worth of maturing debt in the week to June 24, cutting their total holdings of State debt by 11 percent.

The Treasury registered bond maturities worth Sh67 billion in June from a 15-year bond paper sold in 2007 and a 10-year bond floated in 2012.

Retail investors, including sacco, listed and private companies, self-help groups, educational institutions, religious institutions, and individuals, accounted for nearly half of these maturities despite holding just 5.9 percent or Sh251 billion worth of total government domestic debt which stands at Sh4.27 trillion.

### Indicative Forex Rates

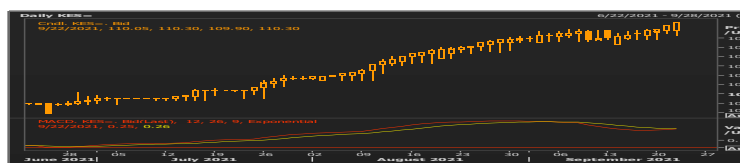
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	115.55	127.05	115.05	126.05
GBP/KES	139.02	152.02	141.02	153.02
EUR/KES	118.37	144.27	122.27	137.27
AED/KES	28.14	42.14	30.14	37.64

Money Market Rates	Current	Previous	Change
Interbank Rate	5.610%	5.270%	0.020
91-Day T-bill	8.097%	8.013%	0.084
182-Day T-Bill	9.196%	9.163%	0.033
364-Day T-Bill	9.985%	9.974%	0.011
Inflation	7.910%	7.080%	0.830
CBR RATE	7.500%	7.000%	0.500

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	2.89929	0.03713	2.27240
12 months	3.56429	-	-

(Source: Reuters)



### INTERNATIONAL NEWS

The Australian dollar ticked higher on Tuesday ahead of an expected half-point increase in the Reserve Bank's policy rate, while the yen slid against the greenback amid a rise in U.S. Treasury yields.

The Aussie and New Zealand dollars were also supported by signs that the United States might soon ease tariffs on key trading partner China. Australia's currency climbed 0.29% to \$0.6888, while New Zealand's kiwi rose 0.21% to \$0.6222.

At the same time, the U.S. dollar was up 0.35% at 136.165 yen, gaining support from a strong rebound in the 10-year Treasury yield, which jumped to 2.9780% in Tokyo on Tuesday from the lowest since May at 2.7910% on Friday.

In The commodities market, Brent oil prices were little changed on Tuesday, reversing earlier gains of \$1, as investors weighted supply concerns, highlighted by a potential production cut in Norway, and worries about a possible global recession curtailing fuel demand.

Brent crude futures for September settlement edged up 0.2%, or 22 cents, to \$113.73 a barrel by 0432 GMT.

U.S. West Texas Intermediate crude climbed \$1.95, or 1.8%, to \$110.38 a barrel, from Friday's close. There was no settlement for WTI on Monday because of the Independence Day public holiday in the United States.

On the other hand, Gold was down on Tuesday morning in Asia despite a rise in U.S. Treasury yields and a strengthening dollar.

Gold futures inched down 0.56% to \$1,811.55 by 11:41 PM ET (3:41 AM GMT). The dollar, which normally moves inversely to gold, inched up on Wednesday morning U.S. 10-year Treasury yields pushed past 2.95% after reopening from a holiday.

U.S. President Joe Biden may announce a rollback of some U.S. tariffs on Chinese consumer goods this week to counter inflation. Biden administration could also unveil a probe into industrial subsidies, which might lead to more duties in strategic areas like technology.

### 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	1.0225
GBP/USD	1.2013	1.2319
USD/AED	3.6526	3.6936
USD/JPY	132.77	135.95

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.