



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 5TH SEPTEMBER 2022

DOMESTIC NEWS

The Kenya shilling weakened on Friday due to increased demand for dollars from the energy and manufacturing sectors against lower inflows from the remittances.

Commercial banks quoted the shillings at 120.15/120.35 per dollar compared with Thursday's close of 120.10/120.30.

In other news Investors remained cagey ahead of the Supreme Court verdict Monday, with foreigners appearing to have put on hold their activities on the financial markets.

Key economic indicators closed Friday -- the last day of the hearing of the petition challenging the declaration of William Ruto as the winner of the August 9 presidential election at the apex court -- with mixed signals.

The stock market gained Sh10 billion while the shilling continued its downward spiral to end the week at an exchange of 120.1 units against the dollar. (Business daily)

Indicative Forex Rates

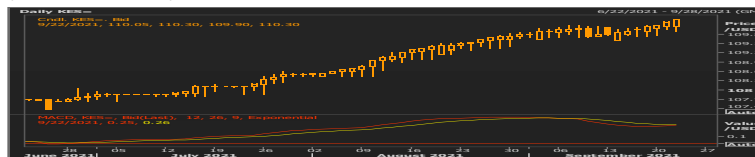
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	116.80	127.30	116.30	126.80
GBP/KES	133.97	153.47	133.17	147.97
EUR/KES	114.31	140.21	114.61	133.21
AED/KES	28.75	38.75	30.75	38.25

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.590%	4.900%	0.310
91-Day T-bill		8.860%	8.767%	0.093
182-Day T-Bill		9.576%	9.532%	0.044
364-Day T-Bill		9.876%	9.910%	0.034
Inflation		8.530%	8.320%	0.210
CBR RATE		7.500%	7.500%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	3.73657	0.04330	3.33720
12 months	4.22057	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The U.S. dollar touched a new 20-year high against a basket of currencies on Monday, benefiting from weakness in the euro amid a worsening energy crisis, while investors continued to bet on more interest rate hikes by the Federal Reserve.

The dollar index, which weighs the greenback against a basket of currencies, rose as much as 0.5% to 110.03- its highest level since late-2002. U.S. dollar index futures rose in a similar range.

The euro tumbled 0.3% and was last trading below \$1.

Oil prices jumped over \$1 a barrel on Monday, extending gains as investors eyed possible moves by OPEC+ producers to cut output and support prices at a meeting later in the day.

Brent crude futures rose \$1.88, or 2%, to \$94.90 a barrel by 0345 GMT after gaining 0.7% on Friday. U.S. West Texas Intermediate crude was at \$88.60 a barrel, up \$1.73, or 2%, following a 0.3% advance in the previous session.

Gold prices fell slightly on Monday, extending sharp declines from last week as strength in the dollar and growing uncertainty over hawkish U.S. monetary policy weighed on appetite for the yellow metal.

Spot gold fell 0.2% to \$1,710 an ounce, while gold futures fell nearly 0.1% to \$1,721 an ounce by 22:15 ET (02:15 GMT). Both instruments sank sharply last week on growing concerns that the Federal Reserve will continue to raise interest rates at a fast pace in the near-term.

Other precious metals also retreated on Monday. Silver futures fell 0.1%, while Platinum futures lost 0.6%.

Among industrial metals, copper prices reversed early losses and traded flat after better-than-expected Chinese services sector activity data.

Copper futures were up 0.1% at \$3.3988.

Indicative Profit Rates on Deposits

	Amounts > 10 million	Amounts >100,000
	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	0.9675	1.0109
GBP/USD	1.1260	1.1675
USD/AED	3.6530	3.6941
USD/JPY	138.45	142.25

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.