



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 8TH SEPTEMBER 2022

DOMESTIC NEWS

The Kenya shilling was a little changed on Wednesday and traders said it was expected to loose ground due to increased dollar demand from the energy and manufacturing sectors. Commercial banks quoted the shillings at 120.20/120.40 per dollar compared with Tuesday's close of 120.15/35.

In other news, Cash handled by mobile money agents crossed the Sh700 billion mark for the first time in July, reflecting the full interoperability of mobile money merchant payment platforms and increasing reliance by businesses on digital payments.

Transactions at the agents were recorded at Sh722.5 billion, an 8.6 percent growth from Sh665.1 billion in June, the latest Central Bank of Kenya (CBK) data shows.

In July, Airtel and Telkom Kenya subscribers were allowed to make payments via Safaricom's M-Pesa paybill platform, having earlier been granted access to the Lipa na M-Pesa till payment option on the country's leading mobile money platform. (Business daily)

Indicative Forex Rates

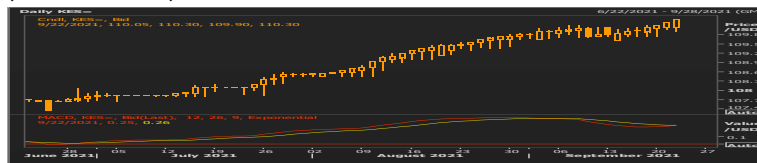
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	116.90	127.40	116.40	126.90
GBP/KES	134.57	154.07	133.77	148.57
EUR/KES	115.44	141.34	115.74	134.34
AED/KES	28.78	38.78	30.78	38.28

Money Market Rates	Current	Previous	Change
Interbank Rate	4.300%	4.640%	0.340
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	3.71029	0.04330	3.37970
12 months	4.17057	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar surged to a 24-year peak against the yen and a 37-year high versus sterling on Wednesday, as Japan's dovish monetary policy and Europe's economic problems contrasted with a relatively stronger U.S. economy and a hawkish Federal Reserve determined to bring down inflation to its 2% target.

The U.S. currency soared as high as 144.99 yen, hitting the level for the first time since August 1998. It is now within a large leap of its 1998 high of 147.43. The dollar was last up 0.9% at 144.09 yen.

Against sterling, the greenback hit \$1.1407, the lowest since 1985 and last down 0.1% at \$1.1509.

The euro fell below 99 cents on Wednesday after dipping as low as \$0.9864 on Tuesday, its lowest since October 2002. Europe's single currency was last up 0.8% at US\$0.9985.

In the commodities market, Oil prices rose nearly \$1 per barrel on Thursday after dropping through key technical support levels in the previous session, as an energy standoff between European nations and Russia focused investor minds on how tight fuel supply may become.

Brent crude futures rose by 91 cents, or 1%, to \$88.91 per barrel by 0331 GMT after closing at their lowest since early February in the previous session. U.S. crude futures were up 95 cents, or 1.2%, at \$82.89 per barrel.

Gold prices steadied above \$1,700 on Thursday as a pause in the recent dollar rally took some pressure off bullion prices, with focus turning to an upcoming European Central Bank meeting for more cues.

Spot gold was largely unchanged around \$1,717.40 at 19:18 ET (11:18 GMT), after surging nearly 1% on Wednesday. Gold futures rose slightly to \$1,728.65 and had also jumped nearly 1% in the prior session.

The dollar retreated further from 20-year highs on Thursday, with investors awaiting an interest rate hike by the ECB later in the day.

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	0.9725	1.0125
GBP/USD	1.1275	1.1680
USD/AED	3.6532	3.6945
USD/JPY	143.27	147.27

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.