



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 9TH MARCH 2022

DOMESTIC NEWS

The Kenya shilling weakened on Tuesday to a new all-time low due to increased levels of dollar demand from fuel companies and listed companies that are preparing to pay dividends.

Commercial banks quoted the shilling at 113.95/114.15 per dollar, compared with 114.00/114.20 per dollar against Monday's close of 113.95/114.15.

In other news in the market, the stock market shed Sh65.6 billion in investor wealth in the first two trading sessions this week, pressured by foreign investor sales that have overshadowed the expected price rally ahead of the dividend season.

The NSE's market capitalisation fell to Sh2.49 trillion on Tuesday from Sh2.56 trillion at the beginning of the trading week.

In the commodities locally, Kenya Tea Development Agency (KTDA) will pay farmers a mini bonus of Sh3 billion starting next month to mark one of the highest payments to be made in the last five years.

Indicative Forex Rates

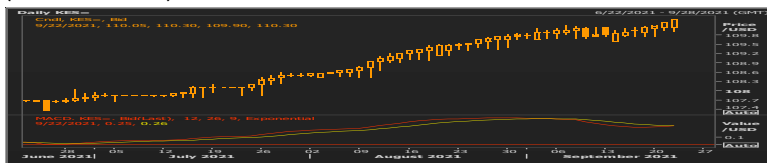
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	110.60	117.60	112.10	117.10
GBP/KES	145.68	153.68	145.38	154.08
EUR/KES	120.16	128.06	120.96	128.46
AED/KES	29.56	32.56	29.06	33.06

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.550%	5.710%	0.160
91-Day T-bill		7.265%	7.254%	0.011
182-Day T-Bill		8.063%	8.062%	0.001
364-Day T-Bill		9.774%	9.764%	0.010
Inflation		5.080%	5.390%	-0.310
CBR RATE		7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	0.93943	0.03836	1.36510
12 months	1.35286	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The prices of Crude oil jumped again on Wednesday while Asian stocks struggled for footing as investors assessed the impact of the worsening conflict in Ukraine and a new U.S. ban on Russian oil.

The price of a barrel of crude, already on the march higher in January on supply worries and expectations of a strengthening global economic recovery, has rocketed upward since Russia launched its invasion of Ukraine on Feb. 24. Oil is now roughly double its early December low.

The dollar was down on Wednesday morning in Asia, while the euro took a breather. Commodity currencies also fell from recent highs, as investors calculate that sky-high energy, grains, and metals prices could decrease demand in the long run.

The U.S. Dollar Index that tracks the greenback against a basket of other currencies inched down 0.05% to 99.035 by 10:36 PM ET (3:36 AM GMT), just below a 22-month high.

The Euro on the other hand took a breather on Wednesday ahead of this week's central bank meeting.

The Common EU currency was steady in early trade and has recovered to \$1.0898 from Monday's 22-month low of \$1.0806, helped by a Bloomberg News report which cited unnamed officials and the European Union was discussing joint bond issuance. Gold prices surged as surging oil prices had Wall Street worried that a recession could happen a lot sooner than anyone was expecting. The latest developments in the West's fight against Russia was that the US would ban Russian oil, LNG, and coal.

Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000	
	KES		USD	
2 Weeks	6.00%	0.25%		
1 Month	6.25%	0.50%		
3 Months	6.50%	0.75%		
6 Months	6.75%	1.00%		
1 year	7.00%	1.25%		

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.0575	1.1356
GBP/USD	1.3124	1.3941
USD/AED	3.6432	3.6324
USD/JPY	111.25	117.79

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.