



DOMESTIC NEWS

The Kenya shilling weakened further on Friday due to increased importer demand for hard currency especially from oil companies and low dollar inflows. Commercial banks quoted the shilling at 115.90/116.10 per dollar compared to last Thursday's close of 115.75/95.

In other local industry news, the suspension of listing of borrowers defaulting on loans of less than Sh5 million is hurting lending and credit risk management in personal loans according to the banks.

Banks were stopped from reporting defaults falling within the set limit for 12 months starting October last year. The freeze is scheduled to end on September 30. The move is seen as an effort by the government to offer financial relief to Kenyans who are recovering from reduced incomes in the wake of Covid-19.

Indicative Forex Rates

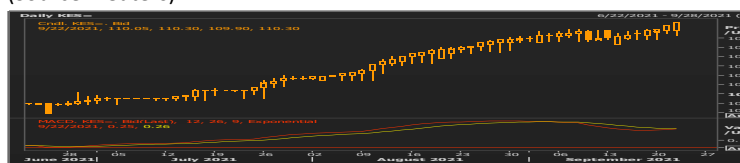
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	112.50	119.50	114.00	119.00
GBP/KES	138.42	146.42	138.12	146.82
EUR/KES	117.49	125.39	118.29	125.79
AED/KES	30.08	33.08	29.58	33.58

Money Market Rates	Current	Previous	Change
Interbank Rate	4.670%	4.760%	-0.090
91-Day T-bill	7.580%	7.497%	0.083
182-Day T-Bill	8.542%	8.458%	0.084
364-Day T-Bill	9.840%	9.776%	0.021
Inflation	6.500%	5.560%	0.940
CBR RATE	7.000%	7.000%	0.000

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	1.96457	0.03015	1.67090
12 months	2.69471	-	-

(Source: Reuters)



INTERNATIONAL NEWS

The dollar hit a two-decade high on Monday as investors searched for safety and yield due to growing concerns over slowing global economic growth and rising interest rates.

Surging inflation, the war in Ukraine, and tighter lockdowns against COVID-19 in Beijing and Shanghai, have left investors uncertain on many counts, but they are sure that U.S. interest rates are going up -- and the dollar is following.

According to strategists, moves in U.S. interest rates are not the only dollar support. Downside risks to global growth stemming from Ukraine and China are more pressing for Europe and Asia relative to the U.S., creating an air of 2018-style dollar exceptionalism.

The greenback made a 22-month high on the growth-sensitive New Zealand dollar and rose 1% to a three-month high against the Australian dollar as Asia's stock markets tumbled. It rose 0.3% to its highest since 2019 on the Swiss franc.

In the commodities Oil prices slipped on Monday, along with stock markets in Asia, sparked by fears a global recession could dampen oil demand, with investors eyeing European Union talks on a Russian oil embargo that is expected to tighten global supplies.

Brent crude dropped 28 cents, or 0.3%, to \$112.11 a barrel by 0153 GMT.

U.S. West Texas Intermediate crude was at \$109.36 a barrel, down 41 cents, or 0.4%.

The United States announced a record-sized release of emergency crude oil reserves in March without consulting partners in the International Energy Agency, leaving them scrambling to match with releases of their own, according to two sources familiar with the matter.

Unilateral action by Washington to address global supply or price issues risks undermining the U.S. relationship with the IEA, the world's energy watchdog that normally oversees international releases from emergency stockpiles and could raise questions about the continued relevance of the group.

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	1.0130	1.1455
GBP/USD	1.2005	1.3385
USD/AED	3.6145	3.6950
USD/JPY	124.50	132.50