



**DIB Bank Kenya**

A subsidiary of Dubai Islamic Bank PJSC

**TREASURY MARKET UPDATE 11<sup>TH</sup> APRIL 2023**

**DOMESTIC NEWS**

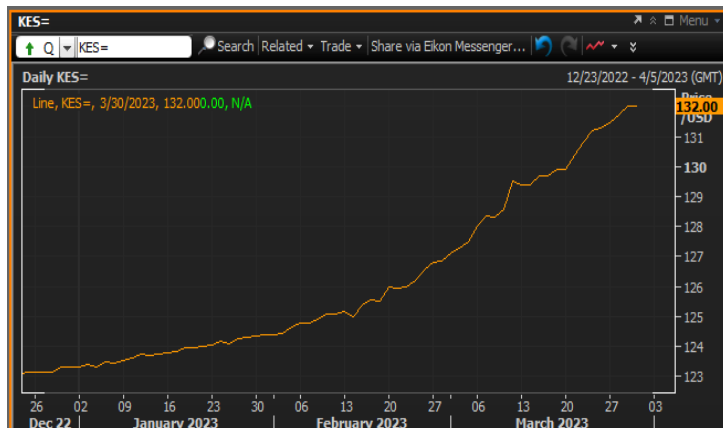
The Kenyan shilling weakened against the dollar on Thursday, as manufacturers hunted limited supplies of foreign exchange. The shilling has lost 7.6% of its value against the greenback this year. Commercial Banks quoted the shilling at 133.45/65 compared to Wednesday's close of 133.30/50.

The energy regulator has received 13 new applications from existing and new entrants wishing to build berths for handling cooking gas imports in Kenya, as the country moves to open up the sector ahead of the price control regime in 2025. The Energy and Petroleum Regulatory Authority (Epra) hopes applications that include, Kenya Pipeline Company (KPC), Eleven Energy and Fossil Fuels will bring competition in the sector and reduce the grip of the Africa Gas and Oil Ltd (AGOL), leading to price cuts in handling of cooking gas imports and ultimately lower prices to the consumers. But it is the application by KPC that the regulator hopes will push down the cost of cooking gas, and prepare the country for regulation of the sector in two years. (Business daily)

**Indicative Forex Rates**

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	129.60	141.10	129.60	140.85
GBP/KES	161.71	173.56	160.91	174.11
EUR/KES	140.51	153.91	140.81	155.31
AED/KES	32.38	45.38	34.38	45.88

Amounts > 10 million		Amounts >100,000
KES		USD
2 Weeks	7.50%	1.50%
1 Month	7.50%	2.50%
3 Months	8.00%	3.25%
6 Months	8.50%	3.50%
1 year	9.00%	4.25%



**USD movement from December 2022 – Date (Source: Reuters)**

**INTERNATIONAL NEWS**

The dollar firmed on Monday after Friday's solid jobs report boosted expectations for a U.S. interest rate hike in May, while the yen weakened as new Bank of Japan Governor Kazuo Ueda signaled no hurry to dial back its massive stimulus. U.S. employers hired at a strong pace in March, adding 236,000 jobs that pushed unemployment down to 3.5%, signaling labor market resilience that will keep the Federal Reserve on track to raise rates again next month. The dollar index was last up 0.53% against a basket of currencies at 102.55 after reaching 102.81, the highest since April 3. The latest Fed data shows that commercial and industrial loans at commercial banks dropped to \$2.756 trillion in the week ending March 29, from \$2.824 trillion in the week ending March 15.

Elsewhere the euro fell 0.36% to \$1.0859 after dropping to \$1.08315, the lowest since April 3. The greenback was last up 1.12% at 133.615 yen, after hitting 133.87, the highest since March 15. The Australian dollar fell 0.51% to \$0.6674, after earlier hitting \$0.66195, the lowest since March 16, and the kiwi dropped 1.01% to \$0.6211, after earlier reaching \$0.6195, the lowest since March 27.

In the commodities markets, Oil prices rose on Tuesday on expectations that inventories in the U.S., the world's biggest crude consumer, are expected to fall and on signs that demand in emerging markets remains healthy. Crude futures likely received a boost from gains in Asian equity markets as regional central banks are expected to keep their interest rates steady. Brent crude rose 57 cents, or 0.68%, to \$84.75 a barrel at 0425 GMT, while U.S. West Texas Intermediate gained 60 cents, or 0.75%, to \$80.34.

On the other end Gold prices hovered just below recent highs on Tuesday, remaining relatively underpinned as markets awaited more cues on the U.S. economy from inflation data and the minutes of the Federal Reserve's March meeting due later this week. Spot gold rose 0.1% to \$1,993.94 an ounce, while gold futures rose 0.3% to \$2,008.95 an ounce. (Reuters)

**Indicative Cross Rates**

	Bid	Offer
EUR/USD	1.0682	1.1082
GBP/USD	1.2404	1.2607
USD/ZAR	16.4590	20.4670
USD/AED	3.6520	3.6930
USD/JPY	131.32	135.33

For more details, contact our Treasury staff Mary, Bernard, Joseph & Evelyn on Tel +254 20 5131311, DL +254 20 513 1354/55/51, Cell +254 709913351/52/54. 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.