



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 14TH APRIL 2023

DOMESTIC NEWS

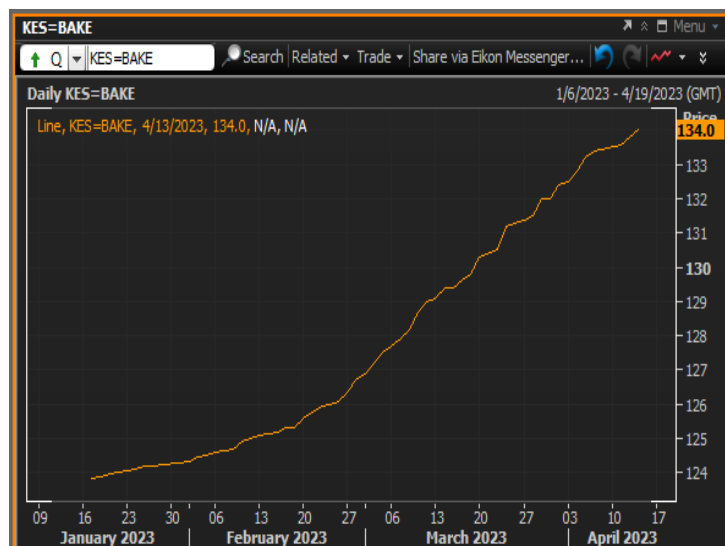
The Kenyan shilling edged lower against the dollar on Thursday as the manufacturing sector sought foreign currency to pay for imports, amid thin trading volumes. Commercial Banks quoted the shilling at 134.00/20, compared to 133.80/134.00 at Wednesday's close.

The Ministry of Agriculture will finance key State corporations to put 500,000 acres of their idle land under maize production even as the government seeks to lease out more chunks of unutilized farms to the private sector. Agriculture PS Harsama Kello said they had mapped out land belonging to Kenya Agriculture Livestock Research Organization, Kenya National Youth Service, Kenya Prisons and Agriculture Development Corporation to be put under crop cover. (Business daily)

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	130.40	141.90	130.40	141.65
GBP/KES	164.60	176.45	163.80	177.00
EUR/KES	143.91	157.31	144.21	158.71
AED/KES	32.60	45.60	34.60	46.10

	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 January 2023 – Date (Source: Reuters)

INTERNATIONAL NEWS

The U.S. dollar edged higher in early European trade Thursday, but remained under pressure after cooler-than-expected inflation data raised the possibility of an early end to the Federal Reserve's rate-tightening cycle. The dollar index, which tracks the greenback against a basket of six other currencies, traded 0.1% higher at 101.243, just above the two-month low of 101.138 seen earlier in the session after sinking 0.6% overnight. U.S. consumer prices edged 0.1% higher in March, data showed Wednesday, resulting in an annual increase of 5.0%, the smallest 12-month gain since May 2021.

Elsewhere EUR/USD edged lower to 1.0987, having touched a more than two-month high of 1.1005 earlier in the session, with the European Central Bank likely to continue hiking interest rates for longer than its U.S. counterpart in order to rein in rising prices. GBP/USD rose 0.1% to 1.2488, trading near levels last seen in late May last year, with U.K. inflation remaining in double digits, having surprised by accelerating to 10.4% in February. AUD/USD rose 0.2% to 0.6701 after strong employment data opened up room for the Reserve Bank to continue with its rate hike cycle. USD/JPY rose 0.1% to 133.30, while USD/CNY was marginally lower at 6.8744, with the yuan struggling to take advantage of a surprise rebound in Chinese exports through March.

In the commodities markets, oil prices rose on Friday on signs of lower Russian output and tighter supplies, with the market looking ahead to the International Energy Agency's (IEA) monthly report later in the day to clarify the global demand outlook. Brent crude futures climbed 34 cents, or 0.39%, to \$86.43 per barrel. West Texas Intermediate crude futures (WTI) rose 40 cents, or 0.49%, to \$82.56.

On the other end gold prices rose for a fourth straight session on Friday following more signs that U.S. inflation was easing, while persistent fears of a 2023 recession also underpinned safe haven demand for the yellow metal. Spot gold rose 0.3% to \$2,046.61 an ounce, while gold futures rose 0.3% to \$2,060.75 an ounce. Copper futures rose 1% to \$4.1680 a pound and were set to add nearly 4% this week. (Reuters)

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.0867	1.1271
GBP/USD	1.2338	1.2740
USD/ZAR	16.0158	20.0310
USD/AED	3.6520	3.6930
USD/JPY	130.48	134.49